ALAMO GROUP

SUSTAINABILITY REPORT 2024

Empowering Communities *through* Innovative Solutions

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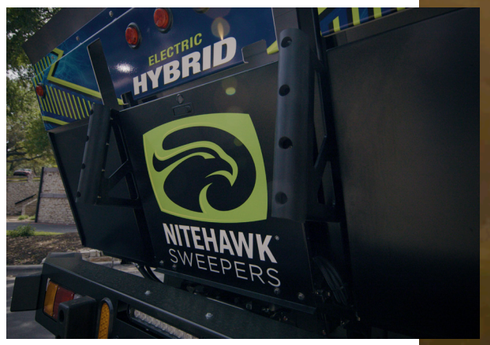


20%

Reduction in Absolute Energy Consumption Since Base Year

17%

Reduction in Energy Intensity Since Base Year

$3 M

2024 Operating Cost Savings Due to Energy Efficiency Improvement and Steel Scrap Reduction Since Base Year

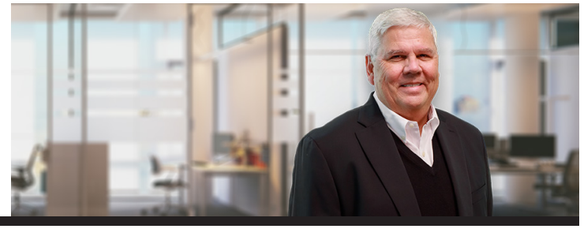
32%

Reduction in Absolute Operational Greenhouse Gas (GHG) Emissions since Base Year

28%

Reduction in Operational GHG Emissions Intensity Since Base Year

Jeffery A. Leonard
Chief Executive Officer and President



Dear Stakeholders,

Thank you for taking the time to review our 2024 Annual Corporate Sustainability Report and your continued interest in following Alamo Group's progress towards achieving its sustainability objectives.

A few years ago, we set several 2030 targets for increasing our energy efficiency, improving workplace safety, and reducing operational greenhouse gas emissions, landfill waste and water intensity.

I am pleased to report that as of the end of 2024, we are less than halfway through the time we allowed to make these improvements, but we have already achieved more than half of the progress required to meet nearly all of our 2030 targets, both in absolute measurements and in measures of intensity.

Not only have we made significant strides toward reducing our absolute physical and environmental footprints and providing an even safer workplace, but we have also made most of this progress by eliminating waste: wasted energy, wasted steel, wasted motion and wasted space. The improvements in energy efficiency and reductions of steel scrap alone positively impacted our operating margins by about $3 million in 2024.

I am particularly grateful that we knocked it out of the park again with another large reduction in our OSHA recordable injury rate for 2024. For the second year in a row, we beat our 2025 target, and in 2024 we achieved our 2030 target six years early. Once again, in the spirit of continuous improvement, we have revised our near-term targets again as we move closer to the ultimate goal of zero injuries.

Finally, despite disruptions in some of the markets we serve, we continue to fund the education and development of our people. For example, in 2024 we saw continued growth in the number of employees enrolled and completing Cornell University certificate programs focused on supply chain analytics, project management and procurement strategy.

All of these 2024 accomplishments are commendable, and I extend my gratitude to our teams for their dedication to our long-term sustainability objectives.

As always, we welcome your feedback on the contents of this report. Please do not hesitate to share your perspective on our progress.

Jeffery A. Leonard
Chief Executive Officer and President

Dan E. Malone
Executive Vice President and Chief Sustainability Officer

A few years ago, we presented to our Board of Directors an eleven-year plan, running from 2020 to 2030, to reduce our operational greenhouse gas (GHG) emissions by 50%. Two-thirds of the progress toward that goal would come from improving our energy efficiency, and the remainder by reducing the GHG emissions per unit of energy we consume. The latter would come from both investments made by others to reduce electric power grid emissions and our investment in onsite renewable power systems where acceptable returns on such investments can be achieved. What we promised were real reductions, not window dressing. We weren't going to purchase renewable energy certificates to achieve the target, we promised to do it the hard way because that was the path to meeting both environmental and financial goals.

Five years into our eleven-year plan, I am pleased to report that we are still well on track to achieve all of these targets. Our absolute energy use has been reduced 20% from the base year, and our energy intensity is 17% lower and more than halfway to our 2030 target. Our absolute operational GHG emissions have been reduced by 32%, and our GHG emissions intensity is down 28%, also more than halfway to the 50% reduction target.

In this report, we summarize many of the investments we have made which are having a material impact on our achieving these goals. Energy-efficiency improvements made by our company have definitely moved the needle. In 2024, we consumed 16 less gigajoules of energy per one-thousand labor hours worked. Multiplying that improvement by our 2024 average energy purchase cost translates to annual cost savings of over $2 million. In recent months we have also taken steps to reduce our steel scrap. Improving steel plate and sheet cutting yields have not only produced a positive environmental impact, it has also saved the company nearly $1 million. Setting and achieving these energy and steel efficiency goals has definitely created shareholder value.

Steel and energy are not our only sustainability stories. For the second year in a row, our recordable accident rate was below our 2030 target. We have reduced our 2030 target again in this report and will work hard to continue this favorable trend.

Sustainable product development is also still in focus and our approach remains pragmatic. We do not control the pace at which regulators, or our customers will drive the adoption of different technologies, nor can we force key members of our supply chain to bend to our will, but we can adapt our development efforts to meet the reality of what our markets and supply chain will yield. In this report, we provide examples of adaptation and pragmatism in our update on the development of sustainable street sweepers.

Approaching regulatory reporting requirements and carbon pricing schemes, particularly in Europe, are starting to impact on our approach to certain aspects of our sustainability initiatives. We address this in the discussions of stakeholder engagement, risk and materiality assessments later in this report. To prepare for compliance with the European Union's Corporate Sustainability Reporting Directive (CSRD), we hired outside consultants to help us complete a formal materiality assessment. In this assessment, it was no surprise to us that climate action was the most material topic rated by both internal and external stakeholders, with the provision of a safe and equitable working environment also being material to both groups. Both are areas where we have made substantial progress. I believe that we are focusing on

Dan E. Malone
Executive Vice President and Chief Sustainability Officer

A Global Industry Leader

Alamo Group Inc. is a global leader in the design, manufacture, and distribution of infrastructure maintenance, vegetation management, and industrial equipment. With a portfolio of more than 40 brands and 27 manufacturing facilities across six countries, Alamo Group serves municipalities, industrial contractors, and agricultural professionals worldwide.

Americas

United States
- 15 Manufacturing Locations
- 25 Industry-Leading Brands

Canada
- 3 Manufacturing Locations
- 7 Industry-Leading Brands

Brazil
- 1 Manufacturing Location
- 3 Industry-Leading Brands

Europe

United Kingdom
- 3 Manufacturing Locations
- 5 Industry-Leading Brands

Netherlands
- 2 Manufacturing Locations
- 4 Industry-Leading Brands

France
- 3 Manufacturing Locations
- 4 Industry-Leading Brands

Oceania

Australia
- Sales Office

Asia

China
- Sourcing Office

Headquartered in Texas, United States

Global Reach: Products sold in over 100 countries on 6 continents

3,750+ Employees working in 27 global manufacturing locations

NYSE: ALG Publicly Traded since 1993

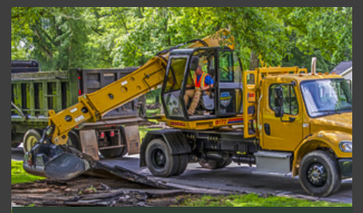
Industrial Equipment

The Industrial Equipment Division of Alamo Group supplies specialized infrastructure maintenance equipment to public and private sectors, contributing 40% of the Company's total sales. With 1,600+ employees across 13 manufacturing locations in 3 countries, its products are sold through 750 dealers and distributors. The division offers application-based solutions from top brands, meeting contractor and municipal customers' year-round maintenance needs.

ROAD & HIGHWAY SAFETY

SNOW & ICE REMOVAL

SWEEPERS & DEBRIS COLLECTION



TRENCHERS & EXCAVATORS

VACUUM TRUCKS

Vegetation Management

Alamo Group's Vegetation Management Division provides industry-leading equipment for maintaining and recycling organic material, contributing 60% of the Company's total sales. Employing 2100+ people across 15 manufacturing locations in 7 countries, its products are distributed through a network of 6,000 independent dealers. From crop preparation to forestry management, the division's trusted mowing and tree care brands deliver innovative solutions and top performance to meet diverse customer needs.

AGRICULTURE

LANDSCAPING & TURF MAINTENANCE

FORESTRY & TREE CARE

WATERWAY VEGETATION MANAGEMENT

ROADSIDE, MOWING, & BRUSH MAINTENANCE

Our Approach to Sustainability

Our sustainable business practices consider our entire value chain and product life cycles. This extends beyond the environmental and social impacts of our procurement, production, and distribution practices as it also includes the impacts of end users operating our products as well as our aftermarket efforts to ensure a long service life. This requires collaboration and innovation throughout our value chain. Upstream, we collaborate with key suppliers to develop innovative sustainable products and measure the environmental and social impacts of our upstream supply chain. Downstream, we engage with dealers, contractors, and end customers to provide product solutions that reduce emissions, increase resource efficiency and circularity, and provide the most effective tools to help end users perform their critical infrastructure, environmental and agricultural services.

Alamo Groups's approach to sustainability is influenced by two important strategic objectives:

1

First, our customers are responsible for keeping our roadways and power lines clear of encroaching vegetation, clearing debris from our storm sewers, sweeping contaminants from our streets, removing snowfall from our roads, maintaining our forests, and preparing fields for the next planting. Our value chain produces tools and tool carriers required to do those specific jobs. Whether it be lane-miles of snow cleared from roadways, or tons of debris removed from storm sewers, those functional units of output are the only reasons customers buy our products. Infrastructure maintenance is not optional, and it is our job to provide solutions for our customers to do this necessary work in the most effective and sustainable ways possible. It is what keeps us in business.

2

Second, we are a for-profit business. Consequently, the sustainability investments we have prioritized benefit all three aspects of the triple bottom line: people, planet, and profits. We believe that sustainability doesn't come at the expense of reduced shareholder returns, and we will continue to focus our efforts on initiatives that meet all three objectives are met.

Previous Alamo Group Sustainability Reports are also available on our website, at https://www.alamo-group.com/our-company/Environmental-and-Social/

Multiple levels of Alamo Group management actively participate in the development and execution of our strategy, which include sustainability targets. Sustainability goals are integrated in management incentive compensation targets, including senior management. Our sustainability strategy is built upon ongoing dialogue with key stakeholders and insights from our annual materiality and risk assessments, which include analysis of climate risks and opportunities. As we have gained greater awareness and understanding of potential climate-related impacts, we have begun to consider climate change-related issues in our strategic planning and enterprise risk management processes. In this report, we have included climate-related disclosures in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Governance

Alamo Group's governance around climate-related risks and opportunities is described in the Sustainability Governance section of this report (pages 12-13)

Strategy

Disclosure of potentially material climate-related risks and opportunities on Alamo's businesses, strategy and planning processes are addressed in Materiality & Risk Assessment (pages 16-17) and Sustainable Product Development (pages 35-37) sections of this report.

Risk Management

Discussion of how Alamo identifies, assesses, and manages climate-related risks is included in the Materiality & Risk Assessment section of this report (pages 16-17)

Metrics and Targets

Disclosures of the metrics and targets we use to assess and manage climate-related risks and opportunities are included in the 2024 Sustainability Highlights and Goals (pages 18-19), Environmental Responsibility (pages 22-33) and People & Communities (pages 44-48) sections of this report.

Sustainability Governance

The Alamo Group Board of Directors, acting through its Nominating and Governance Committee, maintains ultimate responsibility for overseeing sustainability matters. The Company's EVP & Chief Sustainability Officer, Executive Sustainability Team, Corporate Sustainability Team, business unit leadership and Green Teams deployed at every Alamo Group company are responsible for the implementation of Sustainability policies and strategies, and the reporting of relevant results.

We Believe

Sound governance practices are fundamental to achieving our long-term sustainable growth objectives. Alamo Group's leadership team, led by our CEO, has responsibility for the day-to-day management of our business while ultimate oversight of the business rests with our Board of Directors.

Board Sustainability Oversight	
Board of Directors Chair, Nominating & Governance Chief Executive Officer	The Alamo Group Board of Directors, its Nominating and Governance Committee, and the Chief Executive Officer receive Sustainability updates at least quarterly, review and approve the publication of Sustainability goals and reports, and provide strategic oversight and guidance regarding Sustainability matters, including company sustainability strategy, climate change risks and opportunities, and the development of Sustainability goals and reports.
Executive Sustainability Team	
EVP & General Counsel EVP, Chief Sustainability Officer VP, Corporate Human Resources	Under the direction of the Board of Directors and Chief Executive Officer, the Sustainability Executive Team is responsible for the communication and deployment of the Company's Sustainability strategy.
Corporate Sustainability Team	
Technical Affairs, Sustainability and Safety Team Human Resources, Employee Relations, and Diversity Team	The Corporate Sustainability Team engages regularly with local leaders and Green Teams to share ideas and best practices, facilitates sustainability accountability and provides sustainability performance reports to executive leadership at least quarterly.
Operations Level	
Division & Business Unit Leadership On-Site Sustainability Leaders & Green Teams	Business unit leaders and Green Teams at each facility are responsible for planning and implementing sustainable business practices at the local level, as well as the monthly reporting and analysis of sustainability metrics.

Stakeholder Engagement

As part of our strategic management, we regularly engage in dialogue with our stakeholders to develop solutions for environmental, social, and business challenges. We value open and honest communication with our investors, customers and suppliers regarding sustainability issues. Employee insights are also critical. We empower them to provide input on our local approach to employee engagement and our overall sustainability initiatives.

Stakeholder Group	Ways We Engage	Stakeholder Priorities	Examples of Engagement
Investors	► TCFD/SASB-aligned Sustainability disclosures ► Investor meetings and conferences ► Quarterly conference calls	► Long-term revenue and earnings growth ► Sustainable shareholder value ► Anti-corruption and Anti-Competitive Behavior	CDP Discloser 2024 Responding to shareholder requests, Alamo has become a CDP discloser. Link: [Access your category scores]
Employees	► Training programs and support ► Town hall meetings ► Whistleblower mechanism	► Competitive compensation and benefits ► Safe and healthy workplace ► Diversity and Inclusion, and Non-discrimination	In 2024, the company funded the enrollment of 43 employees in Cornell University certificate programs. During the year, 29 employees completed programs covering Procurement Strategy, Supply Chain Analytics and Project Management.
Customers	► Direct collaboration with customers on product design and specifications ► Customer events, product demonstrations and trade shows. ► Providing operator safety training	► Providing products that help customers perform their jobs in an efficient, safe, and sustainable manner. ► Product quality, safety, and efficiency ► Operator training, product repair, maintenance, refurbishment, and circularity	After months of engineering tests, design tweaks put our electric Schwarze M6 sweeper to an extended testing period in the hands of a long-time customer, the City of Huntsville, Alabama. The results of this customer collaboration are included on page 35 of this report.
Suppliers	► Direct collaboration with suppliers on product design and specifications ► Supplier onboarding ► Supplier risk assessment and performance reviews ► Supply chain transparency inquiries	► Fair and competitive terms ► Opportunities for collaboration ► Seek green solutions for delivering source materials and products	Direct feedback regarding material sustainability matters was obtained from several key suppliers as part of the Double Materiality Assessment we recently completed for compliance with the EU's Corporate Sustainability Reporting Directive.
Communities	► Fundraisers and philanthropy ► Volunteering with local organizations ► Local hiring initiatives	► Community partnerships ► Employment opportunities for community members ► Mitigation of issues like noise and pollution	We engage in our communities through employee service events such as tree plantings and other community service activities. We also support community education by partnering with local student groups like the National FFA Organization.
Government	► Participation in mutually beneficial government and industry partnership programs.	► Public policy implementation for the benefit of constituents. ► Public safety	The company solicited feedback from several government officials in the recently completed Double Materiality Assessment. See page 16 for further discussion.
Industry	► Corporate memberships ► Leadership in committees and working groups ► Participation in conferences and group events	► Sharing of best practices ► Collaboration on industry issues ► Engagement on public policy issues	We remain engaged with Industry groups, such as the Association of Equipment Manufacturers (AEM). Today, Alamo Group sustainability team members lead multiple AEM working groups engaged in advancing supply chain sustainability initiatives. See further discussion on page 35 of this report.

Materiality, Risk Assessment and Strategic Opportunity

Using information obtained from both internal and external sources, as well as our stakeholder engagement, the Corporate Sustainability Team conducts regular materiality assessments. We also utilize external tools, such as the SASB Materiality guidance, to reason check our findings. In 2024, we hired outside consultants and conducted a formal Double Materiality Assessment in preparation for compliance with the European Union's Corporate Sustainability Reporting Directive (CSRD). The consultants interviewed and surveyed a full scope of internal and external stakeholders, including board members, large shareholders, senior management, middle management, hourly employees, union representatives, customers, suppliers, government officials, and community leaders.

The most material sustainability issues identified by our internal assessments, the SASB guidance and the above-mentioned Double Materiality Assessment are remarkably consistent. These continue to be energy management, employee health & safety, product design & lifecycle management, and materials sourcing & efficiency. Our materiality assessments continue to support the following nine sustainability priorities for Alamo Group:

Environmental

Improve operational & energy efficiencies.

Improve materials sourcing strategies to manage risk and reduce environmental impact.

Enhance product development to help customers operate efficiently and lower emissions.

Comply with new product safety & chemical disclosure laws.

Social

Improve employee health & safety.

Enhance workforce diversity & inclusion.

Employee development & retention.

Governance

Enhanced cybersecurity.

Continue to grow and improve economic performance.

Climate-related Risks and Opportunities

Three of the material issues identified in our assessment are directly linked to climate change risk. Stakeholder interest in climate-related disclosures remains high. In this report we continue to discuss our relevant climate-related risks and opportunities using the Task Force for Climate-related Financial Disclosures (TCFD) framework.

Transition Risks

These risks and opportunities are primarily:

1. Markets for our products transition to lower carbon technology, and
2. Governments impose mandates, carbon taxes or some other carbon pricing mechanism on our production inputs, customers, or us directly.

Based upon recent regulatory actions by the California Air Resources Board, such transitional risks are likely to impact us in both on a near and long-term time horizon. The financial impact could be higher operating costs or negative effects on demand for our traditional products. On the positive side, we are well positioned to develop low carbon solutions for our customers, and it could result in sales growth. Product development for energy transition has already begun in the product ranges where operating power requirements can be accommodated by existing scalable technologies and will eventually progress to products with higher energy requirements as product design enhancements and new alternative power technologies are developed and converge. Examples of how we are already collaborating with suppliers and customers to meet these challenges are included on pages 36-37 of this report.

Physical Risks

Physical Risks are acute risks caused by increased severity and frequency of extreme weather events, such as heat waves and storms, and chronic risks caused by extreme variability in precipitation and weather patterns, such as chronic coastal flooding or increasingly severe droughts. We believe both may occur over a long-term time horizon. We believe most of this risk resides with our upstream supply chain members and end users of our vegetation management equipment. The potential financial impact would result from supply chain disruption or a decline in end-user demand. Our opportunity is that many of our products, particularly specialty excavators, vacuum trucks and tree care equipment are heavily used for critical tasks such as clean-up after extreme weather events and creating fire breaks to prevent spreading wildfires. For physical risks, we believe our exposure is a low to medium net financial impact from these risks and opportunities.

Mitigation and Adaptation Strategies

We are actively collaborating with our suppliers and customers to mitigate these risks and capitalize on opportunities. Detailed examples of these collaborations and our strategies for sustainable product development are discussed on pages 35-37 in the Sustainable Product Development section of this report.

Overall, while we recognize the potential financial impacts of these physical risks, we assess our exposure as ranging from low to medium, thanks to our proactive measures and the essential nature of our product offerings in managing and mitigating climate-related events.

2024 Sustainability Highlights and Goals

In 2024, the Company made substantial progress toward meeting its energy consumption, operational (Scope 1 & 2) emissions, and safety goals. We recorded our best results in each of these categories since we began measuring sustainability performance in 2019. When we initially set our 2030 energy efficiency and operational emissions targets, we had eleven years to achieve them. Five years later, we are more than halfway there.

In 2024, we successfully reduced both our landfill waste and water usage intensity. The reduction in waste intensity was achieved despite facility renovation, consolidation and moving activities which usually cause temporary increases in landfill waste streams. We have moderated our 2025 target because such activities will continue into 2025. We remain committed to the 2030 landfill waste target. Our water usage targets remain unchanged.

While the goal is always zero injuries, in 2024 we once again realized another substantial reduction in our recordable injury rate. Despite the fact that we set more aggressive 2025 and 2030 targets after last year's performance, in 2024 we not only beat our 2025 target for a second year in a row, but we also achieved our 2030 goal. Accordingly, we have again revised our 2025 and 2030 goals to reflect this continuous improvement.

	2019	2021	2022	2023	2024	2025 Target	2030 Target
Energy Consumption & Intensity							
Gigajoules (Gj)	702,560	646,870	663,935	647,115	564,793		
% Change from 2019 Base Year		-8%	-5%	-8%	-20%		
Gigajoules/1000 Hours Worked	90	80	81	78	74	72	61
% Change from 2019 Base Year		-11%	-10%	-13%	-17%	-20%	-33%
% Renewable Electricity							
On-Site	<1%	<1%	1%	1%	1%	3%	10%
Purchased	1%	4%	4%	8%	9%	7%	-
From the Grid	21%	25%	24%	24%	25%	30%	40%
Total	22%	29%	29%	33%	35%	40%	50%
Operational Emissions (Scopes 1 & 2)							
mtCO2e Emissions	52,980	43,684	43,342	42,321	36,268		
mtCO2e/1000 Hours Worked	6.64	5.42	5.30	5.11	4.78	4.54	3.35
% Change from 2019 Base Year		-18%	-18%	-20%	-32%		
Water Use							
Cubic Meters	105,096	98,647	84,955	90,115	84,755	80,000	75,000
M3/1000 Hours Worked	13	12	10	11	11	10	9
Operational Waste							
Sent to Landfill (kg)	2,908,100			2,466,862	2,045,052		
Landfill Intensity (kg/1000 Hours Worked)	374	299	277	298	270	260	224
% Recycled	82%	85%	85%	83%	83%	82%	83%
Safety							
Recordable Injuries per 100 employees	4.1	3.1	2.6	2.3	1.9	1.8	1.5

Sustainability Investments

Since 2019, Alamo Group has made substantial investments in more sustainable technologies in its own operations and in its new product development activities. Most of our capital investments serve multiple business objectives including cost reduction, capacity expansion, and maintenance needs. For this analysis, we summarize the spending on projects that have a material impact on the sustainability metrics included in this report even if that impact is only a small part of the overall project justification. For example, our investments in upgraded welding and metal cutting technologies are primarily justified based upon improved labor efficiency, increased throughput and quality, but such investments also significantly reduce electricity consumption per unit of output. In the table below, we provide an updated summary of our capital expenditure approvals since our base year which we determined have, or will have, a significant impact on our sustainability performance:

Capital Authorizations with Sustainability Impact	2020-24 Project Approvals	2025 Capital Proposals
	($ millions)	
LED Lighting and Energy Management Systems	$ 3.6	$ 0.1
Welding Technology Upgrades	$ 3.1	$ 1.4
Laser Cutting Technology Upgrades	$ 12.4	$ 2.2
Onsite Renewable Energy Facilities	$ 1.5	$ 0.6
Low Emissions Vehicle Development	$ 1.2	$ 0.4
Energy Efficient Building Improvements & Other	$ 7.2	$ 0.2
Facility Footprint Consolidation	$ 8.5	$ 4.5
Total Capital Authorized or Planned	$ 37.5	$ 9.4

In 2025, we plan to continue to invest to improve the energy efficiency of our facilities, and upgrade to more energy efficient production technologies, however our focus will be completing the planned facility consolidations on the vegetation management side of our business. These projects are anticipated to have the greatest prospective impact on our ability to stay on track to achieving our 2030 sustainability goals. Last year, we anticipated 2024 authorizations for three large onsite solar power investments, of which only two were initiated. One of those projects was completed in 2024 and the other will be completed in the final stages of a larger facility expansion project around the end of 2025. The third project, an onsite solar power system for one of our UK facilities, was authorized in early 2025 and is expected to be completed before the end of the year. This third system is reflected as a 2025 capital proposal in the table on page 20.

Most of our product development investments are not capitalized but are expensed as Research & Development expenditures in the period they are incurred. However, our capital budgets do reflect acquisitions and development of electric vehicle (EV) chassis and related technologies. Only capital spending is reflected in the table above.
Included in this analysis are the projects which adapt our products to different, lower-carbon emitting technologies, such as electric or hybrid-electric vehicles. These can be easily identified as sustainable product development. Harder to identify are the many projects to design products which allow our customers to operate more efficiently, lower the total cost of ownership and improve fuel economies. While these also help our customers reduce their operational emissions, not all are reflected in the spending numbers on page20.

Environmental Responsibility

Alamo Group's environmental responsibilities and accountability include identifying, measuring, and reducing greenhouse gas emissions; air, water, and soil pollution; hazardous waste; and other potentially harmful substances in the materials we source. New regulatory requirements and voluntary disclosure requests are increasing exponentially and the need to collaborate with value chain partners to meet these expectations has never been greater.

Our sustainability efforts are focused on the environmental impacts of our own operations and the collaborative work of sourcing, manufacturing, and selling more sustainable products. To address impacts in our operations, we make investments to reduce our energy consumption, water use and waste we send to landfills, as well as investments in renewable energy to ensure the energy we use is greener. We also make a positive environmental impact by leading and participating in conservation and sustainability projects within the communities where we work and live. It is our goal to not only reduce the environmental footprints of our operations but also help create net positive environmental impacts throughout our value chain. We work to limit the downstream and upstream footprints of our products through green sourcing initiatives, waste recycling, circularity, and product use-practices to preserve biodiversity in our green spaces. In this report, the discussion of our environmental performance and commitments include:

- **Energy Management**
- **Operational Greenhouse Gas Emissions**
- **Renewable Energy Sourcing**
- **Value Chain Greenhouse Gas Emissions, including:**
  - **Upstream Value Chain Emissions**
  - **Downstream Value Chain Emissions (Sustainable Product Development)**
- **Pollution Reduction**
- **Water Conservation**
- **Preserving Biodiversity and Ecosystems**
- **Resource Use, Waste and Circularity**

Environmental Management Systems

Each of our operations complies with all local and federal environmental regulations, and we continuously look for ways to reduce our environmental impacts. Our companies continue to improve our processes, enhance workplace health and safety, and reduce air and water emissions, as well as our overall waste stream.

At Alamo Group, we utilize an Environmental Management System (EMS) following a continuous improvement approach. Each Alamo Group facility has identified the environmental regulations and requirements for their region and has implemented policies and procedures to meet these requirements. Alamo Group's Safety and Environmental Compliance teams conduct environmental evaluations (Audits) at Alamo Group Companies in accordance with federal and local requirements to ensure that the Company's environmental policies and procedures are being effectively implemented. The team identifies needs for improvement of the environmental programs, engages with each company to enhance their positive environmental performance, and provides oversight of their reporting, improvement, and training activities.

Some of our businesses have become ISO 9001 certified to improve their management systems and increase control of their processes. While one of our plants in France maintains an ISO 14001 certification of their environmental management systems, most Alamo Group operations maintain formal environmental management processes even if they haven't chosen to pursue an ISO certification.

To ensure appropriate oversight of environmental issues, Alamo Group business unit leaders are accountable for environmental compliance at their respective facilities. Each leader assigns a site representative or Environment, Health, and Safety (EHS) manager to oversee compliance with the environmental permits and all EHS regulations that apply to their facility and be responsible for the day-to-day management of environmental issues, including compliance, performance tracking, and continuous improvement.

Energy Management

Total Company	Energy Consumed (gigajoules)				
	2019 Base Year	2021	2022	2023	2024
Natural Gas	408,093	386,317	413,107	403,527	344,109
Electricity	196,096	183,067	177,304	170,709	152,478
Propane Gas	27,237	23,436	22,945	21,442	19,558
Diesel & Gasoline - Onsite	27,472	19,801	15,374	14,255	13,489
Diesel, Gasoline & Ethanol - Fleet	43,336	33,965	34,875	36,889	35,022
All Other	325	283	331	292	137
Total Energy Consumption	702,560	646,870	663,935	647,115	564,793
% Change from 2019 Base Year		-8%	-5%	-8%	-20%

Total Company	Gigajoules Consumed per 1,000 Hours Worked						
	2019 Base Year	2021	2022	2023	2024	2025 Goal	2030 Goal
Total Energy Intensity	90	80	81	78	74	72	61
% Change from 2019 Base Year		-11%	-10%	-13%	-17%	-20%	-33%

Energy Management Overview 2024

In 2024, Alamo Group reduced its absolute energy use by 13% from the prior year, an outcome that now puts us 20% below base year consumption. In terms of energy intensity, the Company improved 5% from the prior year, and 17% compared to the base year. This represents more than half of the progress needed to meet our 2030 goal to improve energy efficiency by 33%.

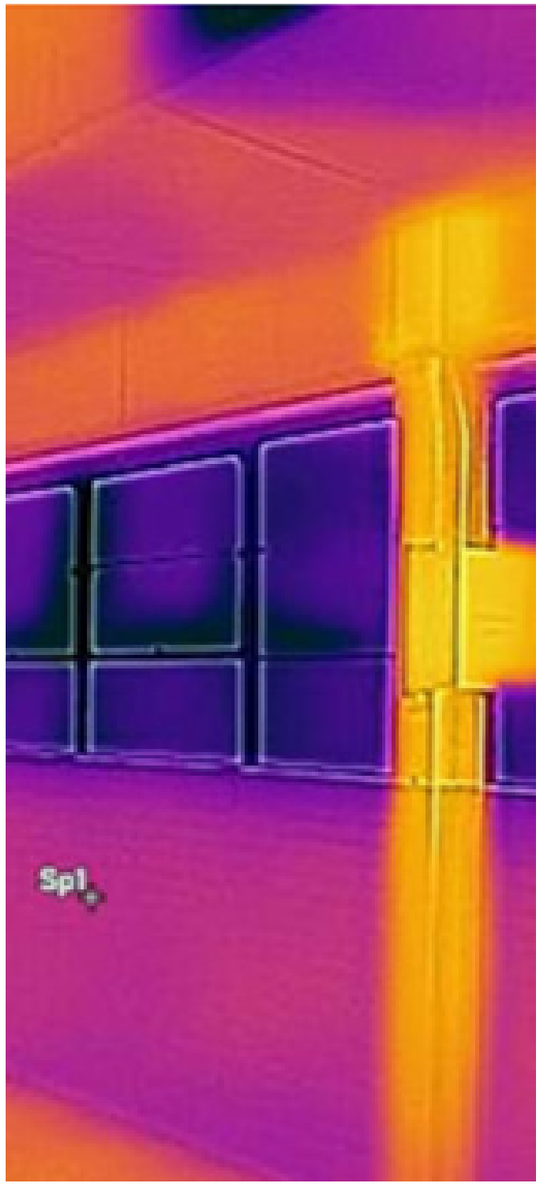
Our use of natural gas and electricity still accounts for almost 90% of energy consumed, with cold weather facility heating driving over two-thirds of our natural gas usage and a significant part of our propane consumption. Facility lighting and production equipment remain the major consumers of electricity.

In 2023, we launched over 40 projects to improve the wintertime heating efficiency of our manufacturing facilities worldwide. Many of these improvements were implemented in 2024, and we have already begun to see their positive impact. We expect to see their full year impact in 2025. Overall, our absolute natural gas use decreased nearly 15% from the prior year. The mild winter weather mostly held in line with prior year with about a 1% decline in Heating Degree Days reported by the National Weather Service for the locations of our four largest natural gas consuming US facilities. Also contributing to this reduction was the sale of a plant which used large amounts of natural gas in its production process and the reduction of our physical facility footprint due to facility consolidation activities. Reduced operational activity, continued investment in energy efficient equipment and facility consolidations were also the main drivers of a nearly 11% year-to-year reduction in electricity use.

As previously noted, we expanded the boundary of our energy consumption and emissions inventories to include offsite purchases of fleet fuel. We also reduced our onsite fuel consumption inventories to exclude fuel shipped to customers in finished products. In 2024, Alamo Group had 281 company-owned or leased vehicles, most of which were operated by employees calling on customers. Fleet fuel consumption in 2024 was 18% lower than the base year primarily due to salesforce reorganization and consolidation efforts. Also contributing to this improvement is the addition of more fuel-efficient vehicles and five fully electric automobiles over the past few years.

Looking forward, we remain on track toward achieving our 2025 and 2030 energy efficiency goals. Continued rationalization of production activities into fewer, larger and more efficient facilities that offer scale economies supporting further value-added investments sustainable technologies will be a necessary step towards achieving these targets. For fleet fuel, we will continue to improve fuel efficiencies and add electric or hybrid vehicles. However, these fuel consumption metrics will be unfavorably impacted in the short term by the insourcing of field salespeople previously working for independent agencies. As these people become company employees driving company vehicles, their fuel use will become part of our energy consumption and Scope 1 emissions inventory. Nevertheless, by 2030, we plan to further reduce fleet fuel consumption to 75% of the base year level.

Enhancing Facility Heating Efficiency With Thermal Imaging



The harsh winter weather in 2022 was a wake-up call for Alamo Group. It was the only time since we began energy efficiency and greenhouse gas emissions that our performance regressed. Up to that time, we focused on electricity efficiency because there was lower hanging fruit there. As the number of those opportunities began to peak, we knew we would need to shift our focus to natural gas. Our disappointing energy efficiency performance in 2022 increased the urgency of those efforts. In our April 2023 Annual Management Meeting marching orders were given and over forty energy efficiency projects were launched during the next twelve months.

To identify the most cost-effective opportunities to achieve our new heating efficiency goals, we purchased an inexpensive high resolution thermal imaging device that can be used with a cell phone and performed onsite studies to determine which improvements would have the greatest impact. These images helped ensure that we would focus our investments on the changes that produce the highest benefits.

Our natural gas consumption in 2024 fell 15% compared to the prior year. While reduced activity partially accounted for this decline, facilities that used thermal imaging saw better results. Below, we discuss in further detail two projects involving the use of thermal imaging at two of our facilities that were not materially affected by a combined change of weather or production activity.

Prior to 2024, our facility in New Philadelphia, Ohio began their heating efficiency improvements by replacing multiple roofs on their 430,000 square-foot manufacturing plant. In 2023, they used thermal imaging studies to identify further opportunities to stem wintertime heat losses from their buildings. In 2024, the improvements in the south part of their facility were completed, helping to reduce their natural gas consumption by 8.7 million cubic feet or 14% as compared to the prior year. At the current cost of natural gas delivered to this facility, this results in annual cost savings of $66,000 on an investment of only $6,700.

Energy costs in Europe are high and continue to escalate. Our manufacturing facility in Neuville-sur-Saone, prior year investments in air destratification fans were already significantly reducing energy costs during winter months by pushing naturally rising warm air back down to the workers on the facility floor, reducing the heating system workload and the amount of natural gas consumed by the facility. In 2023, thermal imaging was also utilized to determine the most cost-effective opportunities in that facility. The resulting investments focused on replacing roll-up doors and adding insulation to some of the exterior walls. The combined result is an 8.0 million cubic foot, or 53%, reduction in natural gas consumption in 2024 compared to 2021. At the current natural gas cost in France, this project produces a recurring annual cost savings of about $190,000 on $300,000 investment .

Energy efficiency improvement opportunities involving facility heat retention are often not as obvious as other energy saving investments, but when the right tools are used to target the investments needed to maximize the relative impact, they can be just as rewarding.

Operational Greenhouse Emissions – Scope 1

	MT CO2eq emissions				
	2019 Base Year	2021	2022	2023	2024
Natural Gas	21,312	20,175	21,574	21,074	17,966
Propane	1,504	1,294	1,267	1,184	1,080
Diesel	3,623	2,604	2,348	2,315	2,198
Gasoline	1,550	1,328	1,352	1,401	1,296
All Other Sources	636	658	589	595	385
Total Scope 1 Carbon Emissions	28,625	26,059	27,130	26,569	22,924
% Change from 2019 Base Year		-9%	-5%	-7%	-20%

	MT CO2eq Emissions per 1,000 Hours Worked						
	2019 Base Year	2021	2022	2023	2024	2025 Goal	2030 Goal
Total Scope 1 Carbon Intensity	3.68	3.24	3.32	3.21	3.02	2.89	2.21
% Change from 2019 Base Year		-12%	-10%	-13%	-18%	-21%	-40%

Scope 1 Emissions Overview

Scope 1 greenhouse gas (GHG) emissions correlate highly with the consumption of energy other than electricity. Over 80% of our Scope 1 GHG emissions are the result of natural gas use for heating our facilities, paint drying ovens, and other production related processes. About three-fourths of natural gas and much of the propane use is for facility heating. Diesel and gasoline use is largely the result of fleet vehicle use, as well as product testing and demonstrations. All Other Sources of Scope 1 emissions include ethanol consumed by fleet vehicles in Brazil, the use of propylene and acetylene in production processes and fugitive emissions of CO2 gas used in welding operations. As part of our commitment to reduce our total Scope 1 & 2 GHG emissions intensity by at least 50% by 2030, we believe that about a 40% reduction in Scope 1 emissions intensity by the same date will be necessary to hit our overall target.

In 2024, we reduced our absolute Scope 1 emissions by 14% compared to 2023. Operating activity, as measured by labor hours worked, declined 9.5% over the same period. Our absolute Scope 1 improvements mainly resulted from reduced facility operating hours, restructuring and consolidation activities which are reducing the physical footprint of our facilities, and substantive progress toward completing over 40 winterization projects initiated during the past two years.

In 2024, our Scope 1 emissions intensity improved 6% year-to-year and now stands 18% lower than the 2019 baseline. As mentioned in the previous section of this report, our Scope 1 emissions numbers include remote purchases of fuel for our fleet vehicles and exclude fuel purchased but shipped in units sold to our customers. These adjustments have been made to all of the years in our analysis, and our 2025 and 2030 goals have been adjusted accordingly, but the overall percentage reduction targets are unchanged. To achieve our 2025 Scope 1 intensity target, we need an additional 3% improvement in 2025. We believe that the full year effects of facility winterization and business consolidation initiatives already begun in 2024 will be sufficient to meet this milestone.

Operational Greenhouse Emissions – Scope 2

	2019 Base Year	2021	2022	2023	2024	2025 Goal	2030 Goal
Absolute Measurements							
Total Electricity Consumed (MWh)	54,472	50,852	49,251	47,419	42,355		
% Change from 2019 Base Year		-7%	-10%	-13%	-22%		
Scope 2 GHG Emissions - Location Based (mt CO2 equivalent)	23,087	18,293	18,456	16,481	13,593		
% Change from 2019 Base Year		-21%	-20%	-29%	-41%		
Scope 2 GHG Emissions - Market Based (mt CO2 equivalent)	24,355	17,625	16,212	15,753	13,344		
% Change from 2019 Base Year		-28%	-33%	-35%	-45%		
Measures of Intensity: kWh or mtCO2e per 1000 Labor Hours Worked							
Electricity Consumed - kWh Intensity	7.00	6.31	6.02	5.60	5.51	5.31	4.57
% Change from 2019 Base Year		-10%	-14%	-20%	-21%	-24%	-35%
Scope 2 GHG Emissions - Location Based (mt CO2e Intensity)	2.97	2.27	2.26	1.97	1.79	1.68	1.14
% Change from 2019 Base Year		-23%	-24%	-34%	-40%	-43%	-62%
Scope 2 GHG Emissions - Market Based (mt CO2e Intensity)	3.13	2.19	1.98	1.90	1.76	1.67	1.14
% Change from 2019 Base Year		-30%	-37%	-39%	-44%	-47%	-64%

Scope 2 Emissions Overview

In 2024, we reduced our absolute consumption of electricity by 5,064 MWh. This 11% absolute reduction was largely driven by the 9.5% reduction in operating activity but also benefited from continued investments in energy efficient equipment in our operations. In terms of electric energy intensity (kWh per 1000 hours worked), we reduced our electric power consumption by 2% from the prior year. Compared to 2019, the baseline year, our electric power consumption has been reduced by 22% in absolute terms, and by 21% measured in terms of electric power intensity. Our location-based Scope 2 emissions decreased 18% from the prior year in absolute terms and about 9% in carbon intensity. Compared to our baseline year, our absolute location-based Scope 2 emissions are now down 9,494 metric tons of CO2 equivalents, or about 41%, while our market-based Scope 2 emissions are down 11,011 metric tons, or about 45%. Adjusted for activity, our location-based Scope 2 carbon intensity is down 40% and market-based Scope 2 carbon intensity is down 44% from the baseline year.

Note: To compute location-based Scope 2 emissions, we utilize the most recent applicable government published total production emissions conversion factors for electricity grid produced in the geographic regions where are facilities are located. To calculate market-based emissions, we report zero emissions for power consumption covered by renewable and carbon-free power purchase agreements and convert the residual power consumption using published residual grid averages, where available, and total production grid-average emissions rates for the remaining areas.

Renewable Energy Sourcing

In 2024, we made our largest ever investment in onsite company-owned renewable power generation. Near the end of November, we placed into service a 443 kW solar power system on the rooftop of our manufacturing facility located in Ludlow, UK. Consisting of 1,008 photovoltaic PV modules spanning three roof planes, this project marks our most ambitious on-site solar energy installation to date. The Ludlow solar array installation was completed on the heels of a roof remodeling project that improved the building's wintertime heat retention and allowed for structural support of the new PV panels. The array began producing electricity starting late 2024, and has an estimated annual production of 406 MWh, or approximately 30% of the Ludlow location's total annual electricity consumption. The renewable energy produced from the panels is anticipated to decrease Ludlow's location-based Scope 2 Emissions by nearly 80 metric tons annually, or over 1,500 tons over the next two decades. The carbon avoidance from this system is equivalent to the 20-year carbon sequestration of planting about 7,500 new trees.

Not only does the new array decrease the facility's operational carbon footprint, but it also provides significant cost-savings and energy security in a regional market where energy prices have recently soared and continue to escalate. This project will contribute to achieving our 2030 target of generating at least 10% of our total power consumption with onsite, company-owned installation. With the addition of the McConnel PV installation, Alamo Group now has four locations which generate part of the power they consume from onsite (PV) arrays. In 2024, onsite renewable electricity generation totaled 546 MWh, or about 1.3% of our total electricity consumption, and this should increase to about 2.3% in 2025 with the Ludlow system now online.

In addition to the recently completed Ludlow system, two additional rooftop solar projects have been authorized, including a 499 kW system that was approved in conjunction with an expansion of our Rivard manufacturing facility in France, and a 531 kW system at our largest UK facility in Salford Priors. This added PV capacity should expand our renewable cogeneration to 5% of our total consumption by 2026 and keep us on track toward building our onsite power generation to 10% of our total electricity consumption by 2030, as well as our 2030 goal to reduce operational emissions by at least 50%.

In addition to the onsite solar power generation noted above, in 2024 we also purchased 5,125 MWh of zero emission power, of which 3,605 MWh was from renewable sources which accounts for about 8.5% of our electricity use, a slight increase over last year's 8.2%. Based upon the latest published energy mix statistics, the proportion of renewable power taken from the grid also improved year-over-year to help us measure a total renewable power mix of about 35% of our total power consumption.

	2019 Base Year	2021	2022	2023	2024	2025 Goal	2030 Goal
Grid and Renewable Power Mix	**% of Total Electricity Consumed**						
Electricity Taken from Grid	99.9%	99.2%	99.0%	99.0%	98.7%	95.0%	90.0%
Renewable Power from Onsite Generation	0.1%	0.8%	1.0%	1.0%	1.3%	2.3%	10.0%
Renewable Power from Power Purchase Agreements	1.3%	3.6%	4.2%	8.2%	8.5%	8.0%	1.5%
Renewable Power from the Grid	20.7%	24.6%	23.9%	24.1%	25.0%	29.7%	38.5%
Total Renewable Power Consumed	22.1%	29.0%	29.1%	33.4%	34.7%	40.0%	50.0%

Reducing Value Chain GHG Emissions - Upstream

Alamo Group collaborates with industry groups and upstream supply chain partners to address the sustainability initiatives we share with these members of our value chain. While most of this collaboration has been recently focused on the joint development of low and zero-emission products to address customer climate concerns, we are also pushing for supply chain transparency and accountability for a wider range of environmental issues, including their greenhouse gas emissions.

Steel Scrap Reduction to Reduce GHG Emissions

One of the largest GHG footprints in our upstream supply chain is the production of steel. Primary steel making in an integrated blast-basic oxygen furnace, including the mining and reduction of the iron ore it uses, produces about 2 kilograms of CO2 equivalent (CO2e) emissions per kilogram of steel produced. Secondary steel making in an electric arc furnace using 100% recycled steel scrap is about 400 grams of CO2 equivalent emissions per kilogram of steel produced. Worldwide, primary steelmaking accounts for over 75% of total production, while in North America and Europe, about 70% is from secondary steelmaking. Not counting the steel weight of the fabricated components that we buy from third party suppliers, we purchase over 40 million kilograms of standard sized steel plates, bars, and tubing for steel component production in our own facilities. Just this part of our material purchases represents more than 80,000 metric tons of CO2e emissions annually, more than double our operational emissions. In 2024, we reduced the steel scrap produced by our operations by 2.5 million kg, consisting of a 1.3 million kg decrease due to lower production, and a 1.2 million kg reduction due to more efficient utilization of the standard products we use for internally produced fabrications. This more efficient utilization reduces both steel purchases and scrap recovery rates. The net cost savings from this efficiency gain are about $0.8 million. Because less steel scrap directly correlates to lower steel purchases, 1,800 metric tons of upstream Scope 3 emissions are also avoided.

Improving Yields and Changing Product Designs to Reduce Upstream GHG Emissions

As we have discussed in prior reports, the quickest, easiest, and most profitable way to reduce upstream GHG emissions is to reduce the amount of material purchased for a given level of production output. We are doing this both through product design and the reduction of production waste. For example, we have acted to improve plate yields for in-house laser cutting operations. We have also modified product designs to use higher grade steel to reduce product weight, particularly in the moldboards and dump body sides of our snow removal products, as well as the structural pieces of some of our agricultural products. These product enhancements not only avoid steel purchases but also improve the downstream fuel efficiency of our products.

Working on Supply Chain Sustainability with the Association of Equipment Manufacturers

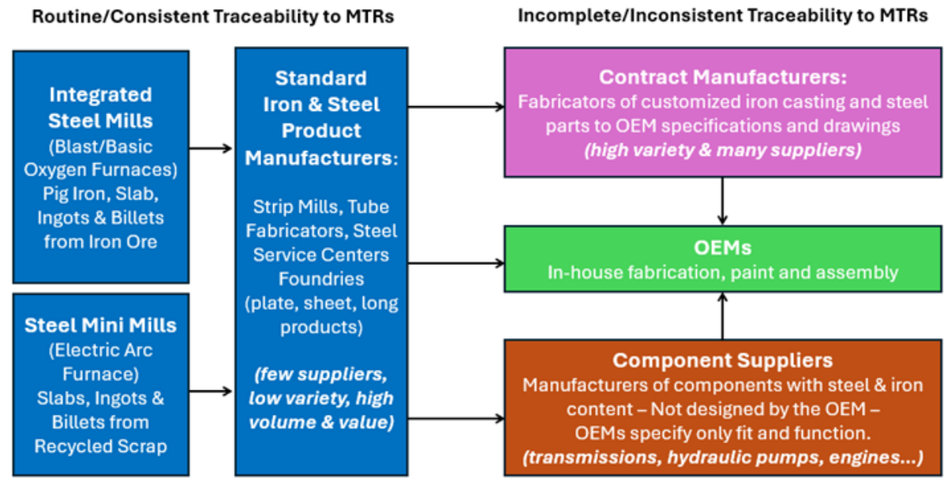
In our industry, one of the most difficult tasks in measuring value chain emissions is determining the cradle to gate emissions embedded in the materials and services we purchase. Most of the upstream emissions reported in our industry are spend-based, using broad industry and regional average emissions estimates which produce objective, but probably not particularly accurate or actionable information. The latter can only be achieved through supply chain transparency and traceability through many tiers, and the ability to carry this traceability from thousands of suppliers through to hundreds of thousands of unique purchased parts. New carbon pricing regulations like the European Union's Carbon Border Adjustment Mechanism (CBAM), the need for more comprehensive supply chain traceability and primary data collection has never been higher.

Recognizing this need our industry group, the Association of Equipment Manufacturers, has organized several working groups to address these challenges. Members of the Alamo Group Corporate Sustainability Team both lead and actively engage with these supply chain sustainability working groups.

One area of early focus is tracing the steel content of our products back to steel mill test reports (MTRs), which would provide basic origin data needed for carbon pricing, Scope 3 reporting and risk assessment. Published product life cycle assessments in our industry have one thing in common: iron and steel account for 85-90% of our finished product mass. Quantifying steel and iron content and origin throughout our supply chain would have a huge impact on our ability to manage and mitigate these exposures.

The mill and standard steel products in the blue boxes on the left side of the chart below are already subject to the CBAM carbon pricing regime, and recent public comments by EU leadership make it clear that they intend to extend the scope of this regulation into the downstream products on the right side. Traceability on the right side is a daunting task which will require an innovative solution. Such tasks are best addressed by an alliance of major OEMs and Component Manufacturers through an industry group. On the left side of the chart below the focus is standardizing and automating a preexisting information flow. On the right side, the challenge is creating new verifiable information flows to attach data to a multitude of unique custom parts and tracking it through to an OEM's final assembly. One method under consideration utilizes a private blockchain application.

Ferrous Metal Supply Chain for Heavy Equipment OEMs



Reducing Value Chain GHG Emissions - Downstream

Sustainable Street Sweeper Development

Customer interest in electric and hybrid electric street sweeping products has been growing in recent years, primarily due to regulatory actions in California and a few other states which seem to be following their lead. Accordingly, we have been developing products to address these anticipated changes in customer requirements.

Our goal was to develop products that perform as well as the conventional diesel and gas-powered versions, can comfortably operate for a full day on a single battery charge, and that have the same look and feel of equipment our customers are accustomed to operating. We knew that those goals could not be met by just mounting our existing product on an electric or hybrid electric chassis, a complete redesign was in order.

In the Spring of 2023, Alamo Group introduced prototypes for two new products that will make significant reductions in our customers' greenhouse gas (GHG) emissions for years to come. These products are Schwarze's fully electric M6 mechanical street sweeper and Nite Hawk's hybrid electric mid-size regenerative air sweeper. In 2024, we also added hybrid electric version of the M6 mechanical street sweeper into the mix. Extensive testing of these prototypes has proven all three to be commercially viable, and each is discussed in greater detail below.

The Fully Electric Schwarze M6 Mechanical Street Sweeper:

Working with a major truck manufacturer who was developing a fully electric chassis for the vocational (Class 7 and 8) work truck space, we in turn developed a near fully electric sweeper unit with only the high-dump scissor lift cylinder remaining on a hydraulic circuit. The elimination of nearly all of the hydraulic systems also permits the use of a biodegradable, eco-safe hydraulic fluid in what remains, thus completely eliminating another environmental risk. After months of testing and tweaking, we turned the unit over to a longtime customer, The City of Huntsville Alabama, for extensive field testing. The results exceeded our expectations as the unit would operate the same as the diesel version for a full 8 hours with 40-50% remaining in the battery at the end of the day. The noise produced by the sweeper dropped 58 dB compared to the diesel unit, and the cost of electricity needed to run the units was 76% lower than the amount of diesel required to accomplish the same work. Annualized, this cost savings was approximately $36,000. We had planned to begin shipping these products to our customers in late-2024 or early-2025, but unfortunately we were more committed to our product than the chassis supplier was to theirs, and we are left to find another partner before we can begin accepting customer orders.

The Hybrid Electric Schwarze M6 Mechanical Street Sweeper:

Early on, we knew that we could mount the new electric sweeper unit onto a conventional diesel chassis and achieve at least a 24% fuel efficiency improvement as compared to existing sweeper units. We also knew that this would be attractive to customers who want the economic and environmental benefits of the electric sweeping unit but were either unwilling or unable to pay the high price point of the fully electric chassis or bear the cost of installing the necessary charging infrastructure. In early 2025, this new hybrid product was shown to the public and we plan to begin shipping these products within twelve months.

Fully Electric Schwarze M6 Mechanical Street Sweeper

The Hybrid Electric Nitehawk Raptor Regenerative Air Sweeper:

Generally, air sweepers require significantly more power to operate as compared to their mechanical cousins, so given the limits of current commercially available battery technology, it is pragmatic to start with the smaller units first. In 2023, we introduced the Hybrid Raptor to the public and since then, we have been testing and perfecting the product to the point that it exceeds the performance of the conventional Raptor, while offering a 38% improvement in fuel efficiency. This product will be available to ship to customers later this year.

Hybrid Electric Nitehawk Raptor Regenerative Air Sweeper

Sustainable Product Update
Products in the Market

Over the past few years, Alamo Group has introduced several sustainable products, including fully electric mowing boats, dredgers and remote-control mowers. We introduced hybrid-electric woodchippers and power arm mowers. We also launched several more products which achieve better than 20% fuel efficiency improvements through weight-reduction, higher functional output and other product design enhancements. In the table below, we track the sales of those products, in total and as a percentage of total company sales.

The year-to-year decline in the sales of these products is primarily due to the cyclical nature of demand for certain agricultural and forestry products. The most significant impact was reduced sales of the weight-reduced sugarcane transshipment trucks in Brazil, which was partially offset by expanded sales of the Tenco Wide Wing System.

Prospectively, we expect to see substantial near-term growth in the Hybrid Electric product category with our launch of new hybrid street sweepers.

Note: We added sales of our single engine leaf collector to both 2023 and 2024 sustainable products sales as it offers a 30% fuel efficiency improvement over comparable dual engine models.

Sustainable Product Sales With > 20% GHG Emissions Reduction	2023	2024
Fully Electric - Zero Emissions Equipment	$ 1.6	$ 1.3
Fuel Efficiency from Hybrid Electric Products	$ 2.4	$ 1.8
Fuel Efficiency from Weight Reduction	$ 17.3	$ 7.3
Fuel Efficiency from Increased Functional Output	$ 4.2	$ 10.0
Fuel Efficiency from Other Design Enhancements	$ 8.9	$ 5.7
Total	$ 34.4	$ 26.1
Percentage of Total Alamo Group Sales	2.0%	1.6%

Electric Conver C485-E

Hybrid Timberwolf TW280HB

Electric McConnel Robocut S300E

Pollution Reduction

Alamo Group is committed to mitigating the negative impacts related to air, water, and soil pollution, including prevention and control. To manage harmful chemicals and noxious substances both in the manufacturing process and wherever our products are being used, Alamo Group companies use best practices in compliance with the most stringent regulations for health and safety, and environmental protection. In alignment with EPA guidelines, we define hazardous materials as solid waste containing known hazards and exhibiting at least one of the following properties: ignitability, corrosivity, reactivity or toxicity. Mixtures, fuels, solvents, paints, and dusts are all considered hazardous chemicals or materials that may be present in our facilities.

Pollution Reduction in Our Operations

Our facilities manage the hazardous waste disposal process while facilitating a safe work environment that complies with local, state, and federal regulations. Alamo Group provides extensive employee training to help workers identify hazardous chemicals and noxious substances; assess and control their risks in the workplace; understand the regulatory requirements and safely store and transport these materials to ensure their proper containment and safe handling. At each of our facilities, onsite environmental and safety leads actively monitor all waste streams (air, liquid, and solids) to ensure regulatory compliance. Hazardous waste is properly handled in our facilities, following appropriate safety protocols, and hauled away by licensed operators for recycling or disposal. Within our operations, most of our hazardous waste generation is tied to volatile organic compounds (VOCs) associated with wet paint and related solvents. VOCs and the combustion of fossil fuels account for nearly all of our air emissions. Many of our manufacturing facilities have converted to dry-powder-coat paint systems, we have reduced our absolute VOC emissions over time. In 2024, our VOC emissions were 378,889 lbs., down 4% from the prior year.

Pollution Reduction Within Our Value Chain

Alamo Group works with its suppliers to reduce air, water and soil pollutants throughout the value chain and phase out the use of potentially hazardous substances. In recent years, new government regulations have changed how we identify and manage such material to ensure product safety. For example, we make regular inquiries with our suppliers to comply with regulations which require that we list certain substances in a public database for products imported into and sold in the European Union. The process of identifying and replacing these substances faces some headwinds. Manufacturers of synthetic polymers often guard the additives they use as trade secrets and resist disclosure. Some of the more recently identified substances of concern, like PFAS and PIP 3:1, are fire retardants and suitable replacements need to be found to avoid other product safety concerns. We will continue to work with our suppliers to meet all of these challenges.

We will also create positive environmental impacts by continuously improving product designs to reduce the use of pollutants in their manufacture and help our customers more efficiently use our products to reduce pollution in their communities. For example, transitioning from diesel to electric products not only reduces air pollution, the replacement of fluid power systems with electric circuits can also significantly reduce the use of synthetic polymers and eliminate the need for hydraulic oil. Our products often perform important roles in protecting the environment. For example, street sweepers remove pollutants from city streets, reducing the runoff of pollutants into storm drains and water systems, and hydro-excavation vacuum trucks are often used in soil remediation projects.

Case Study: Street Sweeping – The Most Cost Effective Approach to Reducing Eutrophication in Chesapeake Bay

Our Schwarze street sweepers are not only helping keep the streets clean but are helping to protect local watersheds across America. Washington County, Maryland has found a way to fight pollutants from entering the rainwater runoff. Excessive amounts of phosphorus and nitrogen in storm water runoff is the leading cause of eutrophication in the Chesapeake Bay. Eutrophication occurs when there is an excessive amount of nutrients in a body of water, causing algae blooms, oxygen depletion, and ecosystem damage.

Washington County was just one of many state and local governments in Maryland, Virginia and the District of Columbia facing a US Environmental Protection Agency (EPA) mandate to reduce their total daily maximum load (TMDL) of such nutrients in their storm water runoff by at 20% to reduce eutrophication in Chesapeake Bay.

When researching alternatives to address the EPA mandate, they discovered that frequent use of air sweepers was far more cost effective and provided continuing benefits compared to investments into expensive infrastructure projects. John Swauger, who serves as storm water management coordinator, said it comes down to the numbers; “We looked at some of the other BMPs (best management practices) and many of those are quite expensive to install.” Their initial goal was to meet the 20% TMDL reduction mandate at a cost of no greater than $20,000 per acre of treatment. What they found was that by adding advanced air sweepers and increasing sweeping frequency to every two weeks, they could achieve the target for a cost of $731 per acre of treatment.

“We really had to look at ways to become innovative; that’s where the street sweeps options came in” said Alex Reed, watershed specialist Washington County. Alex Reed would go on to say that the Schwarze sweepers provided the “best bang for the buck” when compared to other watershed protection projects.

Chesapeake Bay Story Link

Water pollution control with street sweepers. A Washington County study.

Water Conservation

According to a survey using the World Resources Institute's Aqueduct tool, our manufacturing operations are not located in high water risk areas, nor do our production processes require large quantities of water use. Nevertheless, we act to conserve water resources through rainwater harvesting, recycling water in our production processes and repairing leakage in our plumbing systems.

In 2024 our water drawn from wells was 51% lower due to reduced activity of our Wooster, Ohio facility. Water purchased from utilities increased slightly. Water recycled at our facilities increased by 44% year over year. Water discharged has decreased by 6%. Net water used per 1000 hours worked stayed at 11 cubic meters, as water consumption decreased in line with lower manufacturing activity.

Furthermore, in 2024 we completed no major water-related initiatives but recorded our lowest level of water usage since we began observing this sustainability metric. We believe that the year-to-year reduction was caused by the year-to-year decline in employee hours worked.

Because our water use is light and the opportunities to reduce it are limited, and because we don't operate in high water-stressed areas, our 2025 and 2030 reduction targets are relatively modest and, we believe, still achievable.

Water Conservation Within Our Value Chain

Downstream in our value chain, our vacuum truck products use significant amounts of water for hydro-excavation and sewer cleaning. We have for several years offered a water recycling filtration system as an option for this equipment, allowing our customers to increase equipment utilization and reduce water and fuel costs. In our Double Materiality Assessment, some stakeholders identified water used by our customers as a sustainability concern. While it fell below the overall materiality threshold we set for CSRD reporting, we will be working with our French vacuum truck manufacturing business to determine if customer water usage can be effectively measured and reported. We certainly have products to help them cost effectively recycle and reuse water in their sewer cleaning process.

	2019 Base Year	2020	2021	2022	2023	2024	2025 Goal	2030 Goal
Water Drawn from Wells	14,622	14,844	14,162	15,728	13,280	6,795		
Water Purchased from Utilities	90,474	83,007	84,485	69,227	76,835	77,959		
Water Recycled	-	-	-	2,406	2,574	3,717		
Water Discharged	105,096	97,851	98,647	84,955	90,115	84,755		
Net Water Used/ 1000 Hours Worked	13	14	12	10	11	11	10	9

Preserving Biodiversity and Ecosystems

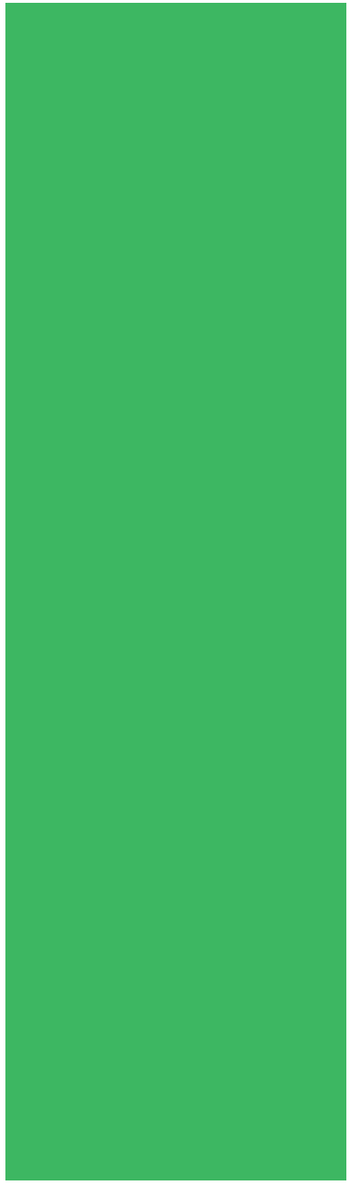
In previous reports, we have shared stories about our involvement in tree plantings, as well as adding flowering plants and bee colonies to our properties. We have told you about our employees leading and participating in numerous clean-up projects within our communities. We have also described how several of our products play important roles in maintaining soil health, removing invasive plant species, and reducing soil compaction during their operation.

Our products also play an important role in the maintenance of hedgerow habitats, particularly in Europe. Though often valued primarily for their aesthetic properties and use as natural barriers, hedges are in fact vital ecosystems, home to an abundance of diverse organisms. According to National Geographic, hedgerows provide essential habitats for a wide range of species, including butterflies, bats, birds, hedgehogs, and mice. Indiscriminate pruning of hedges can upset the delicate balance of these habitats, affecting not only the local flora and fauna but also the ecological benefits they bring. This issue is particularly important in France, where 70% of hedges have disappeared since 1950.

To combat this decline, our Rousseau business in France actively engages with both customers and regulators on how to trim hedges in an ecologically sensitive way. They promote basic principles for responsible hedge management. These principles encourage users of Rousseau's equipment to engage in respectful maintenance of hedges, to increase awareness of the importance of the habitats they provide, and of the outsized impact hedges have on the biodiversity of the ecosystems they support.

These educational and outreach efforts encourage environmentally conscious use of Alamo Group products for hedge trimming operations and demonstrate our ongoing commitment to preserving biodiversity. As a company that sells green space maintenance products throughout the world, we recognize that every decision, every action can have a profound impact on the health and diversity of our environment.

Source: https://education.nationalgeographic.org/resource/hedging-biodiversity/



Waste Reduction and Circularity in Our Value Chain

Sustainability is about eliminating waste. It is not narrowly defined as waste sent to a landfill, but broadly defined as any waste of materials, energy, labor, financial resources, and capacity embodied in the products and services provided to end customers. We believe that waste reduction isn't limited to the more efficient use of resources to produce a linear output, but that it should also become more circular in nature. Circularity can be achieved throughout our value chain, from the development of returnable dunnage with suppliers to refurbishing existing equipment for our customers. The objective of circularity is preserving both raw materials and the value we add to our products, keeping both in use to avoid the demand for new resources for as long as possible.

Alamo Group companies are responsible for designing and implementing waste reduction strategies that are tailored to their operations, their geography, and their product lines. Each facility approach includes waste minimization through waste studies, careful selection of incoming materials, a focus on reuse, and recycling, and safe disposal of waste products. Our facilities remain committed to our sustainability efforts by recycling scrap steel, plastics, and cardboard from our factories as well as aluminum, plastics, and paper from our offices.

At our facilities, most of our landfill waste stems from packaging, pallets, and other shipping materials. Through the development of reusable and returnable dunnage, reuse of packaging materials and enhanced recovery and recycling efforts, we have reduced operational landfill waste intensity by 29% since our 2019 base year.

Relocation of Production Between Facilities

In 2024, we stepped up our activities to relocate production between facilities as part of our efforts to reduce our physical facility footprint and rationalize operations. In 2022, we relocated our Kansas snow removal equipment production to Wisconsin. In 2023 we moved sweeper production from Washington to Wisconsin, and some of our forestry equipment production between our two Ohio facilities. In 2024, we consolidated our two largest agricultural mowing and two largest forestry equipment plants. While shipping equipment and inventory between facilities creates excess dunnage, this impact was more than offset by lower operational activity and the results of our waste reduction programs. We have reset our 2025 target to reflect that some of the impacts of initiatives begun in late-2024 will carry over into the new year.

Operational Waste	2019 Base Year	2021	2022	2023	2024	2025 Target	2030 Target
Landfill Waste (kg)	2,908,100	2,410,861	2,264,327	2,466,862	2,045,052		
Landfill Waste Intensity (kg/1000 Hours Worked)	374	299	277	298	270	260	224
% Change from Base Year		-20%	-26%	-21%	-29%	-30%	-40%
Waste Incinerated (kg)	14,621	129,298	224,913	241,286	247,315		
Waste Recycled (kg)	13,731,748	14,019,279	14,103,081	13,268,328	11,060,339		
Total Waste (kg)	16,654,469	16,559,438	16,592,321	15,955,335	13,330,507		
Total Waste Intensity (kg/1000 Hours Worked)	2,139	2,056	2,028	1,926	1,758	1,626	1,433
% Change from Base Year		-4%	-5%	-10%	-18%	-24%	-33%
% Total Waste Recycled	82%	85%	85%	83%	83%	82%	83%
Hazardous Waste per EPA Guidelines (kg)			445,032	460,794	483,388		

Excluding Construction Waste from Building Renovation

Last year, in 2023, we excluded some non-recurring, non-operating waste from our comparative numbers shown above. That exclusion totaled about 254,000 kilograms. In 2024, we made no such exclusions.

Other Changes

Finally, we reconsidered our recycled waste percentage goals. This metric is overwhelmingly driven by the recycling of steel scrap. As discussed elsewhere in this report, we are making a concerted effort to drive down steel scrap. Because steel scrap is significantly heavier than landfill waste, this will have the effect of driving down our percent recycled metric. As a result, we have moderated our 2025 and 2030 percent recycled goals in this report and will consider separating these two waste streams in future reports.

Waste Reduction and Circularity in Our Value Chain

The equipment produced by Alamo Group companies is durable. Many of our direct customers have planned replacement cycles for the new equipment they purchase from us, but the equipment they replace is almost always sold to a second owner. We remain highly engaged with our customers and independent dealer networks to protect the value of our brands by ensuring our products perform to expectations, have long service lives and high resale value, and continue to perform for their second and even third owners.

Our equipment is also highly repairable and frequently refurbished, and we devote significant resources to support the maintenance, repair and refurbishment of our products throughout our value chain. These parts and service revenues accounted for $383 million or 24% of our total 2024 sales.

Continued customer engagement after the sale is also key to avoiding wasted resources and ensuring product durability. Alamo Group already has an established operator training program for many of its customers, which focuses on safety as well as the proper operation and care of the equipment. Our operating companies also support customers with field service and maintenance training programs.

Due to the recent supply chain disruptions and higher costs of new equipment, we are seeing growing customer interest and demand for equipment rental, repair, refurbishment and other services to further enhance equipment durability, utilization and otherwise the lives of their capital investments. We expect these trends to continue and provide additional opportunities to create circular economies. In 2024, our rental revenues and sales of used equipment totaled $53 million or about 3% of total sales.

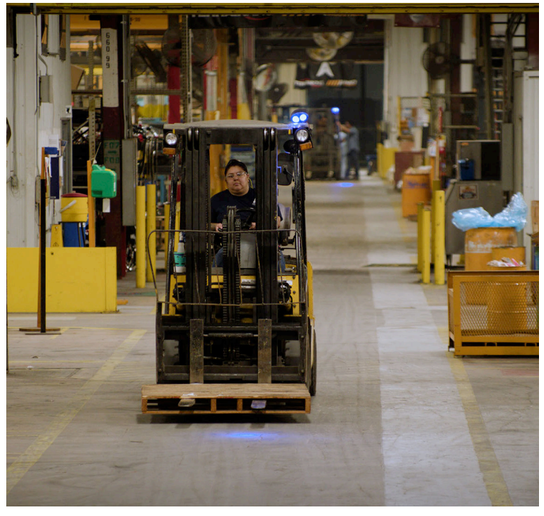
Repurposing Cotton Harvesters in Brazil

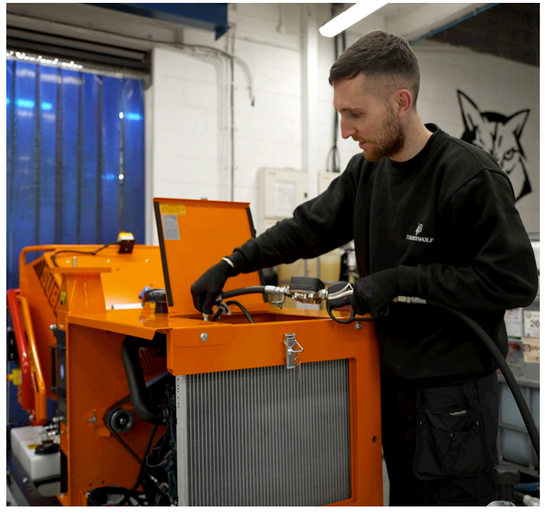
Shredding the remaining cotton stalks after harvest is a critically important activity for farmers in Brazil's Center West Region. It not only facilitates faster decomposition, but it also helps reduce the risk of insect infestations, including the boll weevil which has caused significant past damage to cotton and grain crops in the region. This activity is usually accomplished with a flail mover mounted or pulled by a large farm tractor.
Time is of the essence when harvesting, so farmers often prioritize harvesting equipment over equipment used for other maintenance purposes. As a result, while farm tractors have become very expensive for the farmers, there is no shortage of used harvesting equipment.
Seeing this opportunity, our Brazilian manufacturing business adapted our 12-meter hydraulic flail mower, the FLV1200, to be mounted to old cotton harvesting machines that were otherwise going to be scrapped. As a result, the useful lives of the repurposed harvesting machines have been extended, and fewer hours are put of the farm tractors. This will help farmers defer the high capital costs of replacing farm tractors and this in turn helps defer the environmental footprint of new tractor production. We began producing and selling these units in 2024.

Employee Safety

Zero is the Goal

Everyone at Alamo Group works to create a culture of safety in our facilities, which ensures that the health, welfare, and safety of our employees is a value that is never compromised. We believe that everyone has a right to a safe workplace. Not only do we encourage employees to take personal responsibility for their safety, but we believe that they have a duty to protect the safety of everyone around them. We have shown that a positive and engaged workforce focused on performing each task correctly and safely has cascading positive effects on many other important metrics, such as quality and efficiency. Safety at Alamo Group is driven by the employees, with the understanding that they are experts at what they do. Management provides employees with support via training, resources, and investments. Oversight, auditing and general support are also provided by the corporate team, including targeted programs which address specific hazards such as hand safety awareness, eye protection, housekeeping initiatives and ergonomic assessments. Every employee, including new employees, is provided with training and knowledge to perform their jobs safely, identify hazards, and provide input on safety practices or workplace improvements. Training includes monthly safety topic information sessions, daily toolbox talks, and a 10-hour safety certification program. Each employee has the ability to contribute and engage in the workplace safety process through mandatory safety committees, safety teams, and other structures. Supervisors and leaders are also regularly trained in communication techniques, employee engagement and hazard awareness to ensure a positive working environment. Management at the company facilities are expected to engage the employees on the plant floor with a focus on safety and process improvements daily. Improving the safety culture at all Alamo Group companies by empowering employees to identify hazards, provide meaningful corrective actions and avoid injuries has been a key management priority for many years.





Recordable Injuries

Avoiding injuries has been a management priority for many years. As one of our key sustainability performance indicators, recordable injuries are consistently measured throughout all our operations as defined by the Occupational Safety and Health Administration Recordable Injury Rate (RIR) rate calculations. Progress regarding these metrics and detailed discussion of any incident is provided to all management levels and employees every month. Recordable injuries reported by our member companies have been steadily declining each year and remain well below the Bureau of Labor Statistics reported recordable injury rates for similar manufacturing companies. Alamo Group again saw a significant decrease in our recordable injury rate in 2024, down 16% from 2023 from 2.3 injuries per 100 employees to 1.9 in 2024. While still off from our ultimate goal of zero injuries, this improvement allowed us to beat and achieve our 2025 and 2030 milestone targets, respectively. As a result, we are again favorably revising our 2025 and 2030 milestone targets to stay on a path of continuous improvement to achieve zero recordable injuries in our companies.

Employee Fatalities

	2019 Base Year	2001	2022	2023	2024	2025 Target	2030 Target
OSHA Recordable Injuries per 100 employees (200,000 employee-hours)	4.1	3.1	2.6	2.3	1.9	1.8	1.5
Employee Fatalities	0	0	0	0	0	0	0
Near Misses per 100 employees (200,000 employee-hours)				36	58		

Alamo Group has not had an employee fatality due to an accident or injury in our operations during the reporting period.

Near Miss Reporting

Introduced last year, near miss reporting is a key component to building engagement and trust from the workforce by encouraging employees to find and report safety issues. Alamo Group uses near miss reporting as a pro-active metric for identifying and eliminating hazards before they become injuries. In 2024, Alamo Group companies reported 2,196 near misses, or 58 near misses for every 100 employees (200,000 hours worked). The increase compared to the near misses reported in 2023 indicates a positive trend in employee awareness and injury avoidance.

Employee Training and Development

Key Leadership Development Programs	2022	2023	2024
AGILE Training Graduates	120	312	70
Frontline Leadership Graduates	20	62	45
Cornell University Certificate Program Graduates	15	22	29

In addition to extensive employee safety training already discussed, each Alamo Group operation provides additional training based upon the risks and opportunities of their specific operations. Such training programs range from the proper handling of hazardous materials to improving manufacturing efficiencies. However, there are certain training opportunities and mandatory training requirements which are standardized across most, if not all, Alamo Group operations. These corporate-driven programs generally fall into the categories of (1) leadership development and (2) compliance/risk mitigation.

Over the past three years the Alamo Group Learning and Development Academy has offered opportunities for employee and leadership development. Three of the most significant opportunities included:

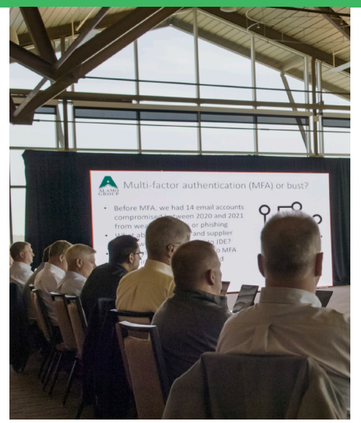
- **AGILE (Alamo Group Inspiring Leadership Excellence) – a 9-hour foundational Supervisor and Management development program.**
- **Skilled Frontline Leadership Training – A 10 module, 40-hour curriculum conducted by certified Front Line Leadership facilitators enabling leaders to create work environments that foster employee engagement, improve performance, and increase employee satisfaction.**
- **Core Competency Training: Targeted training programs to enhance essential skills aligned with their roles, ensuring continuous professional growth and operational excellence.**
- **Cornell University Certificate Programs – In partnership with Cornell University, Alamo Group offers certification in Procurement Strategy, Supply Chain Analytics, Sales, Project Management, Product Management, and other programs. These certificate programs consisted of 5 or 6 courses (a 15 to 18 credit-hour curriculum).**

These initiatives, combined with accountability for core competency development integrated into our succession planning process, provide a foundation for the development of our next generation of company leaders. In 2024, we continued our commitment to these leadership development programs (see table on page 50):

- **70 of our leaders completed AGILE training. This is lower than the previous year because in 2023 this training was required for all people leaders whereas in 2024 only newly promoted and newly hired people leaders were required to complete this course.**
- **45 managers in the U.S., Canada, and the U.K. completed Frontline Leadership Training, and**
- **29 employees completed Cornell University Certificate Programs in Supply Chain Analytics (6), Project Management (19), and Procurement Strategy (4). Employees enrolled in the Cornell programs totaled 43 in 2024.**

We also provided training to meet compliance/risk mitigation and additional employee development training objectives, including:

- **Alamo Group employees worldwide completed mandatory annual training in our Code of Business Conduct & Ethics, with 100% participation of those required to complete it. This training covers Code of Ethics topics including honest and ethical conduct, fraud prevention, anti-trust, insider trading, conflicts of interest, company asset & information protection, anti-corruption, and anti-bribery.**
- **1,918 Alamo Group employees worldwide completed mandatory annual cybersecurity awareness training with 99.3% participation of those required to complete it.**
- **All 2,384 Alamo Group employees in the U.S. completed mandatory Respect in the Workplace and Open-Door Communications training.**
- **275 Alamo Group leaders in the U.S. completed annual mandatory compliance training on topics such as Affirmative Action and Coaching & Discipline.**
- **1,059 employees attended optional monthly Leadership Webinars on the following topics: Stay Interviews, Employee Engagement, Effective Leadership, Proactive Planning, Successful Employee Onboarding, Building Employee Engagement, Embracing Differences, Developing Supporting Connections, Motivate Recognize and Energize Employees, Developing Positivity in the Workplace, etc.**



Workers in Our Value Chain

Human Rights in Our Supply Chain

Alamo Group is committed to respecting and upholding the internationally recognized human rights principles of the United Nation's Guiding Principles on Business and Human Rights and the Universal Declaration of Human Rights. We require our suppliers and others with whom we conduct business to do the same.

Our suppliers must not hire any workers that are younger than the minimum age prescribed by the local jurisdiction in which the Supplier operates, and in no event shall a Supplier hire or employ workers under the age of fifteen. Our suppliers are prohibited from using any forced labor in their operations, whether in the form of prison labor, bonded labor, indentured labor, slavery or otherwise. We hold our suppliers to the same standards that we hold ourselves. Suppliers are required to treat employees with respect and dignity and will not subject any employee to any physical, sexual, psychological, or other form of abuse. Our suppliers must support diversity and equal opportunity in their workplaces and must prohibit discrimination based on race, gender, color, nationality, age, disability, sexual orientation, or marital status. Our suppliers must respect the right of employees to freely associate and to collectively bargain in accordance with applicable laws, comply with applicable wage and hour labor laws and regulations governing employee compensation and working hours, provide a safe and healthy work environment and take appropriate measures to support accident prevention in the workplace. Up until now, these requirements have been communicated by written policy. Beginning in 2024, such requirements will be integrated into the contractual terms and conditions of our supplier relationships.

Our direct vendors generally produce industrial goods and services that we work with and the goods and services that do not lend themselves to the use of seasonal, migrant or child labor. We frequently visit and physically inspect the facilities of our direct suppliers, regardless of location, and believe that the risks of slavery and human trafficking at this level of the supply chain are very low. A supply chain for products like ours generally ranges from 8 to over 20 tiers. Our visibility beyond our direct vendors is very limited. If there are human rights issues in our supply chain, they would most likely be at or near the point of mineral resource extraction.

In accordance with our Conflict Minerals policy, we make reasonable country of origin inquiries and perform supply chain diligence to determine whether or not any materials in the products we buy originated in mines controlled by armed groups known to use child and slave labor. In accordance with the Uyghur Forced Labor Prevention Act, we also make inquiries of our Chinese suppliers to ensure the products we source from them do not contain any materials sourced from Xinjiang Province. In 2024, we began screening our direct suppliers, as well as a selection of their suppliers, using the same denied party screening tool that have been using to ensure we do not sell to banned individuals and entities.

Operator Safety Training

Operator Safety Training

Alamo Group's Operator Safety Training (OST) program continues to be a recognized and sought out platform nationwide for equipping operators with essential safety skills. These comprehensive courses blend classroom instruction with practical equipment operation in the field. Participants are instructed on vital techniques, such as hazard identification, pre-operation inspections, and responsible equipment use. These practices increase operator safety awareness, and reduce the frequency of part replacements, which diminishes environmental impact.

In 2024, the OST program broadened its scope with the introduction of two additional specialized training tracks, ZMOST (Zero-Turn Mower Operator Safety Training) and PMOST (Prime Mover Operator Safety Training). To enhance these offerings, Alamo Group developed two new training videos, the Zero-Turn Mower Operator Safety Video and the Prime Mover Operator Safety Training Video. These resources support the program's hands-on and classroom elements, ensuring operators have access to robust, practical guidance for safe equipment operation and will be available soon on the Alamo Group's OST website for public viewing.

Additionally, the program's growth reflects its increasing impact. In 2024, the program expanded significantly, providing 29 classes and training 793 participants, which was more than double the number of operators who were trained in 2023. Further program expansions into other equipment categories are planned in 2025. These achievements and projected growth highlight Alamo Group's unwavering commitment to delivering innovative, impactful safety training. This training program will continue to empower equipment operators to recognize and mitigate safety issues, maintain equipment for safe operation, and promote environmentally conscious equipment use.

Growth and Impact

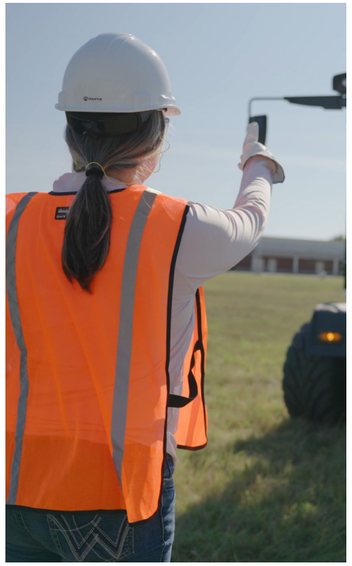
The OST program experienced significant growth doubling the participants trained in 2023

- **2024:** 29 classes, 793 participants
- **2023:** 16 classes, 372 participants

This expansion not only reflects the program's increasing impact but also Alamo Group's commitment to safety education.

ALAMO GROUP

Operator Safety Training



Supporting Our Communities

CHARITABLE GIVING

Giving back to the local areas where we do business is an important part of Alamo Group's philosophy. We believe we have a responsibility to the communities where our employees and customers live and work, and we constantly strive to find ways to give back. Alamo Group companies work with diverse organizations in our communities to advance economic, environmental, and societal issues and share best practices across industries through our efforts.

Charitable Giving
2022: $363,916
2023: $414,636
2024: $238,313

MFG Day

Celebrated nationally on the first Friday in October, Manufacturing Day (MFG Day) provides an opportunity for manufactures across the U.S. to inspire future generations by showcasing careers in manufacturing to students, parents, educators, and local communities. Alamo Group proudly participates each year, promoting awareness and appreciation for Careers in Manufacturing.

Partnership with the National FFA Organization

Our Alamo Group AG Americas business partners with The National FFA Organization to support the next generation of leaders and agriculturalists. This year, they participated in a fundraising campaign to help prepare FFA members for premier leadership, personal growth, and career success through agricultural education.

Dependent Scholarships

In addition to offering Tuition Assistance for company employees, Alamo Group is committed to supporting the educational aspirations of our employees' families. Through our dependent scholarship program, we provide financial assistance to help children of our employees pursue higher education.

- **$419,250 awarded to employee dependents since 2012**
- **117 employee dependents received $29,250 in scholarships in 2024**

Governance and Ethics

Alamo Group has implemented a strong corporate governance and ethics framework that provides the foundation for all our corporate responsibility efforts and is consistent with our high standards of operational excellence, ethics, integrity, and transparency.

Corporate Governance

Alamo Group believes sound governance practices are fundamental to achieving our long-term sustainable growth objectives. The Alamo Group leadership team, led by our CEO, has responsibility for the day-to-day management of our business while ultimate oversight of the business rests with our Board of Directors.

Directors are nominated based on their prior experience, skills, and background. As required by applicable laws and New York Stock Exchange rules, a majority of our Board members are independent. We currently have a nine-member Board with eight independent members, including four women. Alamo Group's Board has three standing committees:

Audit Committee

- Assists with oversight of the accounting and financial reporting processes and audits of financial statements
- Comprised of five independent members of the Board
- Audit chairperson is financial expert

Compensation Committee

- Sets and administers policies that govern executive compensation including setting the CEO and Named Executive Officer compensation
- Comprised of five independent members of the Board

Nominating and Governance Committee

- Identifies individuals qualified to become Alamo Group directors
- Recommends nominees to the Board for election at the annual shareholder meetings
- Oversees governance matters including the regular review of the Company's Code of Conduct
- Oversees the Company's sustainability program and develops recommendations for the Board's review and consideration
- Comprised of four independent members of the Board

For more information about our Board of Directors, executive leadership team, and corporate governance practices, visit our website.

Ethics and Compliance

A strong ethical culture starts at the top. CEO Jeff Leonard and the other senior executive leaders at Alamo Group strive to set the right example in the way they behave and the way they encourage others to behave. Our Board members are also deeply committed to meeting the highest standards of ethical and legal conduct in fulfilling their duties.

Business Conduct and Ethics

Our Code of Conduct and our FCPA and Anti-Corruption Law Policy require strict compliance with all applicable laws and regulations, including local laws and regulations of each country where Alamo Group conducts business. It also describes our commitment to, and policies for, doing business with integrity, including, without limitation, corruption, bribery, kickbacks, extortion, embezzlement, and other similar practices.

About This Report

Boundaries and Scope

This is Alamo Group's fifth annual sustainability report, based on calendar years 2019-2024 data. We follow the World Resource Institute's Greenhouse Gas (GHG) Protocol and use the Sustainability Accounting Standards Board (SASB) Industrial Machinery Standard to guide our reporting boundaries and disclosures. Data collection covers all Alamo Group facilities, both manufacturing and nonmanufacturing, except for a few small (one to two-person) operations where either the landlord maintains operational control of the facility, or the emissions are considered too small to justify data collection. The locations excluded from this report consist of seven small service shops in France and a small, now-closed, truck up fitting center in Vermont.

Our greenhouse gas inventories include all relevant sources of Scope 1 and 2 emissions. In previous reports, we noted that we did not capture all of the offsite purchases of fuel consumed by company-controlled vehicles. In this report, through the use of fuel card programs and two full years on a new travel expense reporting system, we now report these remote fuel purchases in our GHG emissions inventories. In the process of analyzing our fuel consumption, we also realized that most of our onsite diesel fuel purchases were leaving our facilities in sold equipment, so we also adjusted current and prior results to exclude this from our Scope 1 emissions. That net effect of these adjustments was an average 3% increase in energy intensity in all years of the comparison period, and a less than 1% increase in GHG emissions intensity during the same period. The change to GHG intensity is less because we included an estimate for missing remote fuel purchases to our prior year GHG inventories. These net changes are reflected in the table on the next page.

	2019 Base Year	2021	2022	2023	2024	2025 Goal	2030 Goal
Energy Intensity Changes	**Gigajoules Consumed per 1000 Hours Worked**						
Energy Intensity – Old Inventory	87	78	79	76	72	70	58
% Change from 2019 Base Year		-10%	-9%	-13%	-17%	-20%	-33%
Energy Intensity – New Inventory	90	80	81	78	74	72	60
% Change from 2019 Base Year		-11%	-10%	-13%	-17%	-20%	-33%
Energy Intensity - Difference	3	2	2	2	2	2	2
% Change from Old	3%	3%	3%	3%	3%	3%	3%
Changes to Scope 1 & 2 GHG Emissions Intensity	**MT CO2eq emissions per 1000 Hours Worked**						
Total Scope 1 & 2 Carbon Intensity - Old Inventory	6.50	5.43	5.50	5.10	4.73	4.48	3.25
% Change from 2019 Base Year		-16%	-15%	-22%	-27%	-31%	-50%
Total Scope 1 & 2 Carbon Intensity - New Inventory	6.64	5.51	5.57	5.18	4.82	4.56	3.30
% Change from 2019 Base Year		-17%	-16%	-22%	-27%	-31%	-50%
Total Scope 1 & 2 Carbon Intensity - Difference	0.14	0.07	0.07	0.07	0.09	0.08	0.05
% Change from Old Inventory	2.2%	1.4%	1.3%	1.4%	1.8%	1.8%	1.5%

About This Report

In addition to the expanding the boundaries of our GHG inventories, we also found a more robust source for international grid emissions factors and have adjusted all of the years in our report accordingly. Finally, we believe that location-based Scope 2 GHG emissions is a better measure of our commitments regarding operational emissions because it excludes renewable power purchases arrangements. We will continue to present both methods in our report, but our discussion and analysis now focuses on the location-based results.

Assurance and Verification

Alamo Group believes this report contains information that is accurate, timely, and balanced. In preparing the material for this report, we have completed an internal assessment process to review the contents for accuracy, completeness and clarity, but the report is not externally assured and the data within this report has not been third-party verified.

Restatements and Use of Estimates

Consistent with GHG Protocol guidance, we have restated prior year measurements for structural changes, such as mergers & acquisitions. When accounting for mergers & acquisitions and structural changes, we gather data for the comparable pre-acquisition periods when available and material to our results. For smaller facilities, we sometimes estimate pre-acquisition emissions based upon the first twelve months of data collection under our operational control.

When measuring small sources of GHG emissions, and the weight of landfill waste hauls, we occasionally use estimates when actual data is unavailable. We are working to continuously improve the precision and completeness of our measurements. When more precise or complete data is developed, we will report using the more reliable data source and adjust prior year results if comparability is meaningfully enhanced. Material adjustments to prior year results in this year's report are disclosed in the relevant disclosure and analysis sections of this report.

Measures of Intensity

Some of our environmental measures are at least partially variable to the level of production activity. As a result, we state some amounts relative to an estimate of production output based upon employee hours worked. This base includes permanent and temporary employee hours worldwide.

For More Information

Alamo Group welcomes your feedback, comments, and questions on this report and other sustainability matters.

Corporate Sustainability Team

1-800-638-7213

sustainability@alamogroup.com

Cautionary Statement about Forward-looking Statements

Certain statements in this report relate to future events and expectations and are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements that are not historical are forward-looking. When used by or on behalf of Alamo Group, the words "estimate," "anticipate," "expect," "believe," "intend," "may," "will," "would," "should," "could," and similar expressions generally identify forward-looking statements made by or on behalf of the Company. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, assumptions, and other factors, some of which are beyond the Company's control, which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Additional information concerning forward looking statements and risks impacting the Company is contained in the Company's filings with the U.S. Securities and Exchange Commission, including, without limitation, the Company's Annual Report on Form 10-K for the year ended December 31, 2024, filed on February 21, 2025.

Tear Sheet

Indicator	UOM	2024	2023	2022	2021	2019 Base Year
Electricity						
Vegetation Management Division	MWh	26,193	30,891	31,932	32,942	31,567
Industrial Equipment Division	MWh	15,912	16,290	17,134	17,749	22,710
Corporate	MWh	250	239	186	162	194
Renewable Energy - Electricity						
Vegetation Management Division	% of total	28.40%	27.20%	22.20%	21.80%	16.90%
Industrial Equipment Division	% of total	36.70%	35.60%	35.40%	35.60%	28.60%
Corporate	% of total	26.10%	25.80%	24.60%	22.80%	18.20%
Natural Gas						
Vegetation Management Division	mcf	211,423	257,458	256,981	246,064	237,966
Industrial Equipment Division	mcf	114,490	124,777	134,568	120,093	148,830
Corporate	mcf	238	233	-	-	-
Total Energy Use						
Vegetation Management Division	gigajoules	364,580	434,582	436,661	430,812	428,955
Industrial Equipment Division	gigajoules	199,849	212,307	227,995	217,667	269,279
Corporate	gigajoules	902	859	668	582	700
Propane						
Vegetation Management Division	mcf	2,996	3,052	3,208	3,094	3,008
Industrial Equipment Division	mcf	3,986	4,602	4,984	5,273	6,716
Diesel						
Vegetation Management Division	US gal	125,188	143,279	141,350	159,439	212,585
Industrial Equipment Division	US gal	55,705	44,638	50,752	59,135	94,660
Gasoline						
Vegetation Management Division	US gal	127,184	138,158	130,017	121,983	136,950
Industrial Equipment Division	US gal	18,458	19,415	22,118	27,377	37,466

Indicator	UOM	2024	2023	2022	2021	2019 Base Year
Scope 1 Emissions						
Vegetation Management Division	MT Co2e	14,795	17,863	17,746	17,302	17,492
Industrial Equipment Division	MT Co2e	7,673	8,288	8,989	8,375	10,139
Corporate	MT Co2e	13	13	-	-	496
Scope 2 Emissions (Location-Based)						
Vegetation Management Division	MT Co2e	8,929	10,981	11,500	12,380	15,746
Industrial Equipment Division	MT Co2e	4,324	4,673	4,636	5,177	8,515
Corporate	MT Co2e	91	99	76	68	94
Scope 2 Emissions (Market-Based)						
Vegetation Management Division	MT Co2e	8,929	10,981	11,500	12,380	15,746
Industrial Equipment Division	MT Co2e	4,324	4,673	4,636	5,177	8,515
Corporate	MT Co2e	91	99	76	68	94
Net Water Consumption						
Vegetation Management Division	cubic meters	52,899	59,936	55,781	66,543	60,756
Industrial Equipment Division	cubic meters	26,750	28,517	27,895	31,120	42,768
Corporate	cubic meters	1,067	1,662	1,279	984	1,572
Total Waste to Landfill						
Vegetation Management Division	kg	871,974	1,276,567	1,138,588	1,218,893	1,475,057
Industrial Equipment Division	kg	1,150,880	1,169,154	1,117,680	1,186,349	1,423,156
Corporate	kg	22,198	21,141	8,059	5,619	9,887
Waste Recycled						
Vegetation Management Division	% of total	84%	84%	86%	86%	87%
Industrial Equipment Division	% of total	83%	83%	83%	83%	80%
VOC Emissions						
Vegetation Management Division	pounds	211,729	257,323	239,530	217,566	167,195
Industrial Equipment Division	pounds	167,160	137,426	137,913	130,724	210,772

Resources

ALAMO-GROUP.COM/REPORTS-AND-POLICIES/

- **Alamo Group Sustainability Reports**
- **Conflict Minerals Policy & Report**
- **Environmental Policy**
- **Foreign Corrupt Practices Act and Anti-Corruption Law Compliance**
- **Labor & Human Rights Policy**
- **Privacy Policy**
- **Safety Guidelines & Safety Code of Ethics**
- **Supplier Code of Conduct**

ALAMO-GROUP.COM/CORPORATE-GOVERNANCE/

- **Business Code of Conduct**
- **Corporate Governance Guidelines**

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(830) 379-1480 | alamo-group.com | info@alamo-group.com