



Proven to **perform.**

2021 ESG REPORT



MESSAGE FROM CEO

At ATI, we believe a company should be defined not only by near-term financial results, but also by its values and the way in which those values inform its actions. Woven into our mindset, our core values set the foundation of everything that we achieve. They ensure that we keep our people safe, protect the environment while delivering for our customers, create the diverse and inclusive culture we aspire to lead, and support the communities in which we operate.

Last year marked a significant turning point for ATI, defined by crucial transformation of our business that sharpened our focus on the demanding, high-value products and markets where our unique materials science capabilities set us apart. Despite rapid change and significant uncertainty, we evolved and strengthened our business while maintaining our steadfast commitment to environmental stewardship, social engagement and strong corporate governance. In 2022, we are poised for growth and energized by many opportunities to promote these principals while delivering for our investors.

In particular, we are excited about the many opportunities the “greening” of the global economy presents to our business. Our products are indispensable to our customers’ efforts to meet the challenges of the world’s rapidly evolving and demanding sustainability needs and expectations. ATI’s innovative and exacting products and services are helping to solve the world’s climate and other environmental challenges through materials science, with applications ranging from lighter, more fuel efficient, longer-lasting jet engines, to renewable and other carbon-free energy production, to pollution control and wastewater treatment.

We do what we say we are going to do, when we say we are going to do it, and we do it the right way. We are committed in our own operations to achieving our stated environmental goals, improving the diversity of our workforce, cultivating an inclusive corporate culture, fostering local community involvement and sustaining our long and proud tradition of robust corporate governance. As an industry leader, and as reflected in this Report, we’ve succeeded in advancing each of these priorities, and we look forward to continuing progress.

To that end, I am pleased to report that – as promised – we adopted the Task Force on Climate-Related Financial Disclosures (“TCFD”) reporting framework for 2021 and published our inaugural stand-alone TCFD Report, which you can find at <https://www.atimetals.com/aboutati/Pages/safety-sustainability.aspx>. This effort reflects our ongoing commitment to addressing the impacts of climate change as part of our broader ESG vision.

Thank you for your support as we look forward to discovering new ways to solve the world’s challenges through materials science.



Robert S. Wetherbee
Board Chair, President and
Chief Executive Officer

OUR CORE VALUES

Integrity

We do the right things the right way; it’s the cornerstone of our relationship with every stakeholder.

Safety & Sustainability

We are committed to a Zero Injury Culture, protecting our people and the planet through our products and the way we operate.

Accountability

We do what we say we are going to do. We set a standard for excellence and hold ourselves and our team accountable for our actions, results and delivering value for our customers.

Teamwork & Respect

We seek and celebrate diverse views, capabilities and experiences to power our collaborative work environment.

Innovation

We embrace change and unique perspectives to create sustainable value, acting with urgency and taking calculated risks to learn and continuously improve.



REPORT HIGHLIGHTS

45%

decline in Green House Gas (GHG) emissions including all of our manufacturing facilities, since 2018

More than

7 BILLION

gallons of water recycled by our manufacturing facilities in 2021



43.1%

of 2021 new hires were diversity/inclusion candidates

Enterprise-wide target for 80% of all open job slates to include a minimum of

30% DIVERSE CANDIDATES

More than

62%

recycled materials used in production

WORLD-CLASS SAFETY RECORD

53% decline in lost time rate, and 48% decline in recordable incident rate, since 2018

TCFD REPORT

First stand-alone report published in April 2022



WHO WE ARE

Our Vision: Solving the World’s Challenges through Materials Science.

ATI is a \$3 billion global producer of high-performance materials and solutions. We are a leader in high-value markets that require suppliers to have deep materials science expertise, significant know-how, stringent product qualifications and strong customer and supplier relationships.

Through our extraordinary materials science and advanced, integrated process excellence, we create new specialty materials, then shape them to meet our customers’ needs for ultimate performance, efficiency and long-term value. Whether the challenge is searing heat, crushing stress, blistering corrosion or all the above, our technologies make amazing achievements possible. Our materials play a critical role in delivering:

- ▶ Every new generation of aircraft in the last 50 years, including airframes and jet engines that continue to safely push the limits of power, fuel efficiency and reliability;
- ▶ Clean energy solutions such as materials for green hydrogen production, geothermal applications, nuclear power generation, energy storage and pollution control;
- ▶ Next-generation defense systems and armor for protecting people and equipment from the ever-evolving threat of deadly explosive weapons; and
- ▶ Medical advances ranging from superconducting MRI machines to implantable stents and artificial joints that save and improve thousands of lives every day.

Our rapidly evolving world requires robust and versatile materials and components produced in an ecologically sustainable manner, and at ATI, we are determined to help meet that need. We’re investing in the capabilities and science that will enable customers to sustainably tackle the next generation of life-changing challenges, whatever they may be.

Solving the World’s Climate Challenge

ATI’s innovating and exacting products and processes are helping to solve the world’s climate challenges by supporting the transition to a low-carbon economy. Customers rely on ATI for materials with enhanced corrosion and/or heat resistance, strength, and other properties for a wide array of applications that promote green-house gas reduction and environmental sustainability, including alloys and components that:



- ▶ help produce next generation aircraft that save fuel, reduce emissions, reach new levels of efficiency and reliability, and safely carry millions of air travelers every single day;



- ▶ improve the performance of Land Based Gas Turbines;



- ▶ support sustainable nuclear energy applications and fuel cell interconnects and solid oxide fuel cells used for on-site power generation;



- ▶ help enable electrolyzers used in the production of hydrogen from water;



- ▶ are used in solar and geothermal power applications; and



- ▶ are essential to pollution control equipment in power plants and ships and treatment of ship ballast water.



2021 FINANCIAL PERFORMANCE HIGHLIGHTS

For ATI, 2021 was a year of marked achievement and accelerating recovery following the profound impact of the global pandemic in 2020 and the sweeping challenges it presented to the global community and economy. Although the pandemic continued to impact our business throughout the year, we began to benefit in 2021 from meaningful improvement in customer demand from our most significant end-markets, including the commercial aerospace industry.

At the same time, we continued to successfully execute our strategy, positioning our business for recovery and growth. In December 2020, we announced plans to exit production of low-margin standard stainless sheet products, streamline the operations of our Specialty Rolled Products (“SRP”) business, and redeploy capital to invest in our specialty capabilities, sharpening our focus on higher-margin opportunities, including in aerospace and defense. We succeeded in this transformation during 2021, in spite of the ongoing challenges to our business; we no longer produce the low-margin standard stainless sheet products that we committed to exiting and are on track to complete our plans to streamline operations within our SRP business.

Moreover, as demonstrated in this Report, we continued to make progress toward our previously-established environmental and safety goals, as well as on other ESG-related fronts.

Our business returned to profitability in the third quarter of 2021, more quickly than we had anticipated, and we believe that the strategic and operational changes we have achieved and continue to pursue are positioning our business for success in 2022 and beyond.

There are data points in this report that may ultimately appear different or unique for 2020 and/or 2021 because of the impacts of the COVID-19 pandemic and other recent challenges on our industry and business. Where possible, we will provide additional information and explanation.

Sales of \$2.8 billion compared to \$3.0 billion in the prior year, notwithstanding our exit from standard stainless production

- ▶ Reflects building momentum in commercial aerospace markets and the acceleration of high-value product sales, consistent with our strategy as we emerge from the pandemic-related downturn a stronger, more focused business
- ▶ Includes fourth quarter revenue of \$765 million (a 16% year-over-year improvement) and third quarter revenue of \$726 million (up 18% sequentially and 21% year-over-year)

Gross profit of \$333 million compared to \$293 million in 2020

Net loss attributable to ATI of \$38.2 million, compared to a net loss attributable to ATI of \$1,573 million in 2020, which included \$1,507 million in restructuring and other charges, net of associated tax impacts

- ▶ Reflects return to profitability in the third quarter of 2021

Preserved strong liquidity and cash position

- ▶ Refinanced \$500 million in long-term debt at meaningfully improved interest rates
- ▶ Significantly reduced our net pension obligations, ending the year at 84% funded status compared to 75% at year-end 2020, representing a \$278 million, or 41%, year-over-year improvement
- ▶ Ended the year with total liquidity of over \$1 billion, including \$688 million of cash on hand at December 31, 2021

Positioned our business for future recovery and growth

- ▶ Exited production of low-margin standard stainless steel sheet products, streamlined the operations of our SRP business and redeployed capital

Returning capital to stockholders.

- ▶ In early 2022, announced a \$150 million share repurchase program



OUR COMMITMENT TO CLIMATE ACTION

Consistent with our values – Integrity; Safety & Sustainability; Accountability; Teamwork & Respect; and Innovation – we believe that long-term excellence and profitability require us to operate in ways that promote environmental and social sustainability, supported by appropriate governance structures and enterprise risk oversight practices. We are committed to protecting our people, our communities and our planet through our products and the way we operate.

We support the principles of the Paris Accord and global efforts to reduce GHG emissions and understand that businesses such as ours have an active role to play in identifying and implementing solutions to the challenges posed by climate change. We first publicly articulated climate-related targets for reducing GHG emissions and energy intensity, among other sustainability metrics, in 2017 and since then, have periodically reported on our steady progress in achieving, or exceeding, the reduction targets that we set. Recognizing that our investors and other stakeholders benefit from the transparency and comparability of disclosure across business and industries that commonly-accepted reporting frameworks can drive, we aligned our 2020 ESG Report with the Sustainability Accounting Standards Board (“SASB”) standard. This year’s report also aligns with the SASB standard, and we intend to continue that practice in future reports.

For 2021, we adopted the Task Force of Climate-related Financial Disclosures (“TCFD”) reporting framework in further recognition of our stakeholders’ growing interest in gaining a deeper understanding of the climate-related risks and opportunities that climate change presents to our business. Coincident with the publication of this ESG Report, we published our first, stand-alone TCFD Report, which is available at <https://www.atimetals.com/aboutati/Pages/safety-sustainability.aspx>.

To support the development of our TCFD Report, we established a cross-functional working group drawn from leadership in relevant portions of our organization. As discussed in greater detail in the Report, the team broadly considered both the physical risks that climate change poses to our business, as well as the risks and opportunities that global efforts to transition to a low-carbon economy present to our business. Our 2021 TCFD report describes the team’s processes and analysis, the governance structures that we have in place to enable appropriate risk oversight as it pertains to climate change matters, the principal risks and opportunities



that climate change and the transition to a low-carbon economy present to our business, and our expectations about the extent to which and time horizon over which those risks and opportunities may impact our business.

Ultimately, our operations, and those of our customers and suppliers, produce GHG emissions. Although we produce some specialty steel products, we do not burn any coal in our own operations, in contrast to integrated carbon steel producers, generally. Additionally, as discussed elsewhere in this report, we make extensive use of recycled scrap material in our production processes. Nevertheless, producing the highly-specialized alloys and other critical products that we provide to the commercial aerospace, defense and other markets requires that we melt raw materials at very high heat and engage in other processes that consume energy. While a significant portion of those processes are fueled by electricity, a substantial portion of which is sourced from carbon-free generators, the majority use natural gas. We believe we have made important strides in addressing our environmental impact, including as it pertains to GHG emissions. Work remains, however, as we continue to address the risks and opportunities that climate change presents to our business.

As we continue to identify, assess and manage climate-related risks over the course of 2022, we intend to re-evaluate our previously-articulated environmental sustainability goals, including our specific goals pertaining to GHG reductions, to ensure that our goals are aligned with, and meaningful in the context of, changes in our business and the evolving expectations of our stakeholders. Additionally, in 2021, we exited production of standard stainless steel products and began efforts to streamline our production footprint by consolidating certain parts of our operations, which remains on track for completion. These changes are expected to create additional operational efficiencies and may also drive changes to our previously-articulated goals.



OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) APPROACH

At ATI, we recognize that long-term excellence and profitability require that we operate in ways that promote environmental and social sustainability, supported by appropriate governance structures and enterprise risk oversight practices. One of our core values is Safety & Sustainability, and we're committed to protecting our people and our planet through our products and the way we operate. We continually refine our efforts to enrich the communities in which we operate, lessen our environmental impact, improve the health and safety of our employees, and ensure the sustainability and quality of our workforce.

► **Environmental Sustainability.** As described in this report, we continue to make progress toward established performance targets for reductions in energy intensity, Green House Gas (GHG) emissions and freshwater intake, as well as targets for full ISO 14001 certification at each of our facilities and increases in our already extensive production use of recycled materials. This report addresses our progress toward these targets in 2021 and provides additional disclosures on other air emissions, water management and waste management efforts. As discussed elsewhere in this Report, we have aligned our disclosures with both the SASB and, in relation to climate-change matters, TCFD reporting frameworks.



► **Social Engagement.** Attracting, retaining, developing and ensuring the safety and wellbeing of a talented and diverse workforce is key to the sustainability of our business. This report describes the human capital management initiatives we have in place to meet these challenges, including the cultivation of a diverse workforce and inclusive culture and engagement in our local communities. Additionally, as described in this report, we are deeply committed to workplace safety and have an outstanding enterprise-wide safety record. To that end, we are progressing toward our goal of obtaining ISO 45001 certifications at each of our manufacturing facilities, one component of our comprehensive efforts to ensure continued workplace safety and promote a zero-injury work environment.

► **Corporate Governance.** ATI has a long tradition of strong corporate governance that extends to the governance and oversight of ESG matters. We have a diverse, highly credentialed, highly experienced and highly engaged Board that guides the strategic direction of our business. This report addresses our history of Board leadership and diversity, our practices associated with risk management and oversight, the governance of our ESG initiatives and related matters, including our cybersecurity initiatives and ethics and compliance programs.

We are Committed to:

- Conducting business in accordance with applicable laws, regulations, permits and ATI's Corporate Guidelines for Business Conduct and Ethics;
- Respecting the rights of people affected by our activities and fostering a respectful dialogue with them;
- Supporting local communities and contributing to their sustainability through measures such as locally sourcing goods and services and employing local people;
- Establishing non-discriminatory conduct in the workplace, hiring practices and career advancements. Ensuring that hiring, advancements and promotions are unbiased and based on merit and ability;
- Continually improving safety, health and environmental policies, management systems and controls so they are fully integrated into company activities;
- Promoting a culture of safety and continually reinforcing company-wide safety efforts and maintaining programs that effectively address workplace hazards and monitor and protect employee health and safety;
- Conducting operations in a sound environmental manner and seeking to continually improve performance;
- Promoting the efficient use of energy and material resources in all aspects of our business; and
- Practicing product stewardship and promoting research to enhance the benefits of our products to society.

We ensure that all ATI employees are involved in the enhancement of health and safety initiatives.



ENVIRONMENTAL SUSTAINABILITY

At ATI, we are committed not only to maintaining and operating our businesses in full compliance with all applicable environmental laws, regulations, and rules, but also to strong ESG practices and effectively managing and reducing our environmental impact.

A Legacy of Investment in Impact Reduction

- ▶ The wastewater treatment facility at our Brackenridge, PA facility, installed in 2007, **recycles water up to three times**, which reduces the volume of water withdrawn from navigable water.
- ▶ A separate facility related to our Brackenridge operations **recycles pallets, crates and other wooden packaging material**.
- ▶ A **deionization system** installed at our Richburg, SC facility in 2018 enables that facility to **reuse water** in its largest cooling tower multiple times.
- ▶ In 2020, we completed a **LED lighting retrofit** at our operations in Cudahy, WI, **reducing annual energy usage** at that facility by 8.4 million kWh. This reduction is equivalent to, for example, the aggregate GHG emissions of more than 1,200 passenger cars driven for one year or the GHG emissions avoided by recycling more than 2,000 tons of waste or the carbon sequestered by nearly 100,000 tree seedlings grown for 10 years. A similar investment at our facility in Remscheid Germany achieved a reduction in energy usage equivalent to a 45% reduction in CO2 emissions by that facility.
- ▶ Our Millersburg, OR facility recovers aqueous ammonia at **over 99.5% efficiency**, allowing for the recovery and reuse of **up to 4 million pounds** of aqueous ammonia annually.
- ▶ Through a program that returns oily absorbent materials to a processing center that cleans and recycles them for reuse, our participating facilities have **diverted more than 15,000 pounds of oily waste from landfills** in just the last two years.
- ▶ In 2010, in partnership with the cities of Albany and Millersburg, OR, we developed the **“Talking Water Gardens,”** an innovative water discharge and treatment system using constructed wetlands to cool and safely return treated water to the Willamette River, helping to **protect the river’s sensitive habitat**.
- ▶ A partnership between Harrison Township, PA, ATI and Western Pennsylvania Conservancy resulted in planting trees on ATI’s property to provide a barrier between the industrial site and the community and enhance stormwater collection.
- ▶ In 2021, We Energies and ATI launched **the largest solar power project in the history of Cudahy, WI**. ATI’s vacant land is now home to WE Energies’ 7,000 solar panels that provide carbon-free power to homes across Wisconsin.
- ▶ In 2022, we replaced the argon recapture units in two locations, **achieving 90% recapture efficiency**.

Goals for Reducing Our Environmental Impact

We have established the following near- and longer-term goals relating to reductions in energy intensity, GHG emissions and water intake, as well as targets for increases in our already extensive production use of recycled materials.

Performance Targets*

2022	2025*	2030*
Include all manufacturing facilities in metrics	Reduce Energy Intensity 5%	Reduce Energy Intensity 7%
	Reduce CO2e/ GHG emissions intensity by 5%	Reduce CO2e/ GHG emissions intensity by 7%
	Reduce freshwater intake intensity by 5%	Reduce freshwater intake intensity by 8%
	Increase recycled materials used in production to 80%	Increase recycled materials used in production to 83%

*Using 2018 as baseline year.



Our 2021 Performance and Progress Toward Our Goals

In 2018, we began annually reporting on our progress toward our goals, based on data that generally included our largest domestic manufacturing operations. Consistent with our goal for 2022, we have included all of our manufacturing facilities in our performance target reporting for 2021, expanding beyond our seven largest facilities. Our metrics now include data from our 19 manufacturing locations including facilities.

The following tables summarize our recent performance relative to our other environmental sustainability goals for our manufacturing sites. Our data for 2018 has been adjusted to include the 19 locations mentioned above and is presented as adjusted and compared to 2021. As illustrated below, we have made significant progress toward our goals since 2018, including meaningful reductions in GHG emissions from both an absolute “location based” standpoint and from a “market based” standpoint giving effect to our zero-emission nuclear generation supply contract.

Metric	Units	2018 Performance	2021 Performance	% Change	2018 Intensity unit/ton of production	2021 Intensity unit/ton of production	% Change
Energy Consumed	Gigajoules	13,878,230	12,047,835	-13.2	3.57	3.77	7
CO2e Emissions*	Metric tons of CO2e	1,188,409	659,942	-44.5	0.31	0.21	-13.8
Fresh Water Intake	Kilo-gallons	5,298,885	4,136,532	-22.0	1.36	1.31	-3.8

* See additional Scope I and Scope II detail below

Metric (CO2e Emissions Detail)	2018 (MT CO2e)	2021 (MT CO2e)	% Change	2018 Intensity unit/ton of production	2021 Intensity unit/ton of production	% Change
Scope I Emissions	506,660	430,192	-15.1	0.13	0.14	-4.6
Location-based Scope 2 Emissions	681,750	401,605	-41.1	0.18	0.13	-27.7
Market-Based Scope 2 Emissions†	681,750	229,751	-66.3	0.18	0.07	-58.5
Total Location-Based Emissions	1,188,409	831,797	-30	0.3	0.26	-13.3
Total Market-Based Emissions†	1,183,668	659,942	-44.5	0.3	0.21	-3

† Reflects impact of carbon-free electric power sourcing beginning in 2019

Metric*	2018 Tons Recycled	2021 Tons Recycled	2018 Recycled Materials Used in Production	2021 Recycled Materials Used in Production
Material Recycled	26,235	98,145	approximately 63%	62%

* “Recycled Materials Used in Production” refers to the percentage of raw materials used in our production of specialty materials that is sourced from scrap metal, either purchased or originating from our own manufacturing processes.

In 2018, we also set a goal for all of our manufacturing facilities to be ISO 14001 certified by the end of 2022. We have made significant progress toward this goal in spite of the pandemic and ongoing business transformation efforts, but are re-evaluating it as part of our decision to revise our goals in 2022.



Energy Intensity

For 2021, our energy consumed by our 19 manufacturing facilities was lower than our 2018 baseline year. Specifically, energy consumed declined from approximately 13.8 million GJ in 2018 to approximately 12.0 million GJ in 2021. However, this decline may be attributable, at least in part, to lower production volumes primarily as a result of the COVID-19 pandemic. When operating at lower volumes, our facilities are less efficient, resulting in an increase in energy intensity of 0.22 GJ/tons produced in 2021 compared to 2018.

Our strategic plans for reducing energy intensity and carbon emissions to achieve our performance goals include:

Short term:

- ▶ Purchasing carbon-free energy where available
- ▶ Conducting energy audits
- ▶ Investing in new technology
- ▶ Installing energy efficient lighting

Medium term:

- ▶ Replacing and/or optimizing compressors
- ▶ Maximizing production capabilities and schedules to reduce waste

Long term:

- ▶ Purchasing RECs
- ▶ Installing carbon-free power sources

Greenhouse Gas (GHG) Emissions

Our GHG emissions (which as reported include gross global Scope 1 emissions and Scope 2 emissions) for 2021 were significantly lower than our base year 2018 emissions. Year-over-year total emissions decreased by approximately 45% in 2021 compared to 2018, primarily attributable to increased purchases of carbon-free electric generation. Although our performance in 2021 was also impacted by lower production activity, we believe that this represents meaningful progress toward our goals for 2025 and beyond.

Our short-term strategy to manage Scope 1 emissions (those occurring directly from sources we own or control) includes:

Short-Term (1-3 years):

- ▶ installation of low emission sources in new equipment installations
- ▶ install LED lighting
- ▶ maximizing the efficiency of our production and operations
- ▶ energy auditing

Medium-Term (4-8 years):

- ▶ installing equipment powered by electricity rather than natural gas where feasible
- ▶ enhancing emission capture if possible

Long-Term (beyond 8 years):

- ▶ Employ alternate energy sources like hydrogen and renewable natural gas

To manage Scope 2 emissions (purchased energy and fuels) we have implemented a strategy focused on purchasing carbon-free sources of power. We are evaluating options for battery storage systems, and constructing renewable energy sources. Developing overall emissions reduction targets and analyzing performance against those targets assists in achieving desired reductions. A significant portion of our electricity is sourced through a zero-emission EFEC supply contract. We continue to evaluate options for installing or purchasing power from renewable sources, including solar and hydropower and other emission-free electricity sources, as well as adding emission reducing equipment as we upgrade or replace equipment in our facilities.

Energy Type	2021 GJ	2021 %
Grid Electricity (GJ)	2,293,978	19.0%
Nuclear Electricity (GJ)	1,421,471	11.8%
Natural Gas Use (GJ)	7,792,601	64.7%
Fuels (GJ)	450,746	3.7%
Steam (GJ)	89,039	0.8%
Total Energy Use (GJ)	12,047,835	100%

Total Electricity as a % of Total Energy: 30.8%
 Nuclear Electricity as a % of Total Electricity: 38%
 Covered under emissions-limiting regulations: 0%
 Longer term, we continue to evaluate options for installing or purchasing power from renewable sources, including solar and wind and other emissions-free electricity sources, as well as adding emission reducing equipment as we upgrade or replace equipment in our facilities.



Water Intake

Our facilities use water for various purposes, and our sources of water vary from location to location, including withdrawals from navigable waters and municipal supplied sources. Generally, our operations are located in areas where water stress is not an issue. Nevertheless, we are focused on reducing use of fresh water in our operations, and water reclamation and reuse is paramount to our water use reduction strategy.

At our 19 manufacturing facilities, we recycled over seven billion gallons of water in 2021. Historically we made significant investments in water reclamation equipment at our Brackenridge, PA hot rolling and processing facility, and in 2019, our Richburg, SC facility added a water treatment unit and other equipment to allow water reuse prior to discharge, resulting in a 3.6 million gallon reduction of freshwater usage in 2019 compared to 2018.

Year-over-year total water intake by our 19 manufacturing facilities declined 22% in 2021 compared to our base year 2018. Although our performance in both 2020 and 2021 was impacted by COVID-related declines in production activity, we believe that year-over-year trends reflect meaningful progress toward our goal for 2025 and beyond.



Material Recycled

We use scrap metal, among other raw materials, in the production of our specialty materials. We have an interest in recycling the scrap we generate in our production and endeavor to recover as much material as we can and return it to our processes. Approximately 62% of the feedstock we used in production for 2021 was scrap, compared to 62% in 2020, 77% in 2019 and 75% in our base year 2018. Our transformed business and sharpened focus on the demanding, high-value products and markets where our unique capabilities give us a durable competitive advantage have impacted the extent to which we use scrap metal. Currently, the use of recycled materials is less feasible in the production of some of our highly-specialized products than in, for example, the production of low-margin standard stainless sheet, which we exited in 2021. Nevertheless, we consistently evaluate opportunities to recycle scrap generated in our production back into our processes and outlets to recycle materials we cannot use directly.



ISO 14001

At the end of 2021, we had 34 operating facilities, including manufacturing and service centers, 18 of which had obtained ISO 14001 certification of their environmental management programs. In light of the pandemic and the ongoing consolidation and restructuring of our facilities, we are re-evaluating our ISO 14001 certification goal as part of our decision to revise our goals in 2022.



Additional Environmental Efforts

Waste Management

We strive to improve the handling of waste and endeavor to recycle, reuse and reclaim waste generated in the course of our processes. Our expectation is that sustainability is every employee's job and that they will react when faced with an opportunity to eliminate or reduce waste. Some of our byproducts are sold to customers who reclaim them into useful products. Some of our material is returned to our process and others are recycled by third parties. We are mindful that materials disposed of in landfills are wasted resources and we aim to reduce the input to landfills where possible.

In areas that provide access to adequate recycling, we manage and recycle business waste including metals, acids, oils, packaging materials, wood, office paper and cardboard. Approximately 133,400 tons of materials were recycled in 2021, including revert material, wood wastes, and by-products sold to third parties, but excluding scrap metal purchased for production.

Many of our facilities are required to have a spill prevention control and countermeasure plan if they meet specific volume thresholds for oil or oil products. Plans include employee training on spill prevention and response. We use internal protocols, procedures and processes to prevent spills and to quickly respond in the event a spill does occur. Employees are trained to internally respond to and report spills outside of a designated containment area as part of our environmental management system. **We had zero reportable spills in 2021.**

Significant spills in 2021 = zero

Tailing waste ponds and underground injection of waste = zero

Toxic Air Emissions

Many of our facilities measure and report air emissions of the following parameters. Of those facilities that report, **the following is an aggregate of emissions in 2021.**

PARAMETER	2021-tons/yr.
CO (carbon monoxide)	1,730.28
NOx (nitrous oxides excluding nitrous dioxide)	465.81
SOx (sulfur oxide)	29.77
Particulate Matter	187.18
MnO (manganese)	7.54
Pb (lead)	0.33
VOCs (volatile organic compounds)	271.17
PAHs (polycyclic aromatic hydrocarbons)	0.66

Environmental Compliance and Risks

We consider environmental compliance to be an integral part of our operations. All of our operations have a comprehensive environmental management and reporting program that focuses on compliance with applicable federal, state, regional and local environmental laws and regulations. Each system includes mechanisms for regularly evaluating environmental compliance and managing changes in business operations while assessing potential environmental impact. [Annual Report](#)

ATI had no significant issues with environmental compliance in 2021.

We are subject to various domestic and international environmental laws and regulations that govern the discharge of pollutants and disposal of wastes, and which may require that we investigate and remediate the effects of the release or disposal of materials at sites associated with past and present operations. We could incur substantial cleanup costs, fines and civil or criminal sanctions, third party property damage or personal injury claims as a result of violations or liabilities under these laws or non-compliance with environmental permits required at our facilities. We are currently involved in the investigation and remediation of a number of our current and former sites as well as third party sites. We also could be subject to future laws and regulations that govern greenhouse gas emissions and various matters related to climate change and other air emissions, which could increase our operating costs.



SOCIAL ENGAGEMENT

Ensuring Workplace Safety and a Zero-Injury Culture

Our Safety Record and Certification Goal

Safety is one of our core values. We strive for a Zero Injury Culture committed to the safety of our people, our products, and the communities in which we operate.

As shown in the table below, our outstanding recent safety record consistently reflects meaningful year-over-year improvement:

2021	2020	2019	2018
Fatalities=0	Fatalities=0	Fatalities=0	Fatalities=0
Recordable Incident Rate =0.85	Recordable Incident Rate =0.87	Recordable Incident Rate =1.14	Recordable Incident Rate =1.63
Lost Time Rate = 0.16	Lost Time Rate = 0.21	Lost Time Rate = 0.21	Lost Time Rate = 0.34

Per 200,000 hrs. worked

As of December 31, 2021, 85% of our operating facilities had obtained OSHAS 45001 certification of their safety management program.

Our Pandemic Response

Our immediate and thorough response to the COVID-19 pandemic throughout 2020 and 2021 enabled us to quickly extend our existing safety culture and outstanding safety record to management of the pandemic and its impact on our people and business.

Although we sadly experienced some COVID-related employee deaths in the latter part of 2021, as a result of the collective actions of our dedicated workforce we experienced very limited known workplace transmission of the virus.



Awards

ATI Specialty Materials won the N.C. Department of Labor Safety Gold Award for outstanding on-the-job safety achievements during 2021.

The Gold Award is based on the days away, restricted, transferred (DART) rate, which includes cases of days away from work, restricted activity or job transfer.

Facility	Consecutive Wins
Bakers North	17 years
Bakers Powder	6 years
Monroe	46 years
Bakers South	12 years
East	13 years



Promoting Effective Human Capital Management

We believe that world-class leadership and fostering a culture that enables us to build and grow a talented team through career development and opportunities is foundational to our vision. Attracting, retaining and developing members of our workforce is key to the sustainability of our business. As the economy and our business grow, so do both demand for qualified candidates and the retirement rate for older workers; hence we are always competing for talent in an environment of increasingly challenged supply. To that end, we have developed — and continue to enhance and refine — a robust and comprehensive talent management program that spans from recruitment and selection to performance management, career development and retention of our top talent and, ultimately, to succession planning across our organization.

Talent Acquisition

- ▶ Partner closely with a targeted number of colleges and universities specifically known for programs that are relevant to our business in order to identify materials science, STEM expertise and other relevant talent, and have developed similar partnerships with high schools and relevant trade schools.
- ▶ Engage with external professional recruiting firms to enhance our recruiting efforts for key positions.
- ▶ Use pre-employment assessment tools to identify candidates who we believe would adapt well to our culture and be most suited to a particular opportunity.
- ▶ Actively engage with campus and professional diversity groups.



Professional Development

- ▶ **Global Leadership Development Program (GLDP).** The GLDP is our Company-wide, flagship program designed to build the skills of our employees across each level of leadership. It includes a series of multi-day training programs tailored to reach and serve a broad range of current and potential leaders across the ATI organization.
- ▶ **Business Acumen Series.** This more narrowly focused leadership education program is designed to develop skills in key areas, such as finance. The purpose of this program is to facilitate a common framework and understanding of financial business acumen to improve decision making critical to the sustainable success of our business.
- ▶ **Early Career Leadership Development Program.** Our selective Early Career Leadership Program is designed for high-potential and motivated college graduates. This five-year program, which is designed to prepare our future leaders, accelerates participants' professional development by rotating them through a variety of business-critical assignments and development opportunities.
- ▶ **Insights Discovery Program.** This program, which we incorporate as an element of our other professional development programs, is designed to support employees in exploring and developing targeted competencies such as self-awareness, communication, conflict management, giving and receiving feedback, influencing others and other skills.



Engagement and Performance Management

- ▶ **Senior Leader Communication and Transparency.** We actively seek opportunities for regular engagement and communication by our CEO and other senior executive leaders with our broader employee population. For example, we hold a quarterly CEO Review that follows the release of our quarterly earnings and is accessible to hundreds of employees across the Company. These reviews provide an opportunity for our CEO and other senior leaders to communicate their perspectives on our recent financial results, as well as financial education and enterprise-level education on topics such as global commercial and other growth initiatives, cybersecurity, ethics and compliance, talent and development programs, opportunities for community engagement and safety.
- ▶ **Annual Employee Engagement Surveys.** Annually, we conduct a confidential company-wide employee engagement survey. Feedback from these surveys provides our management team with valuable information about our workplace culture. It is reviewed with our Board and used to develop and refine other aspects of our overall human capital management and other growth strategies.
- ▶ **Performance Management Framework.** We maintain a robust annual performance management process across the organization. Together with their supervisors, employees identify annual goals and, at the end of the year, provide their own self assessments as to goal achievement and defined core competencies. Employees are reviewed based on the same criteria by both their managers and a second-level reviewer. The results of each annual assessment inform short term incentive compensation and career advancement decisions and are reviewed with employees in one-on-one sessions with their managers.

Succession Planning

- ▶ We maintain a formal succession planning process and career mapping framework that is designed to work in concert with our performance management processes and ensure a systematic and ongoing dialogue regarding career development and succession planning at both the individual employee level and more broadly at an enterprise level. We believe that the robust and systematic nature of these programs is critical to optimizing our talent management and ensuring sustainably high-quality management of our business over the long term.





Fostering Diversity and Inclusion

Ultimately, continuing ATI's long tradition of innovation and operational excellence demands the contributions of leaders and other team members with a wide array of characteristics, backgrounds, experiences, knowledge and skills. One of the principal aspirations of our comprehensive human capital management effort is the cultivation of a workforce that is diverse in every sense and a climate of inclusion that promotes the development, advancement and well-being of our key talent. Simply put, for our business to continue thriving, we must attract, coach and retain the best. That requires a commitment to workforce diversity.

To identify opportunities to improve our recruiting efforts and enhance the inclusiveness of our workplace culture, we collect and regularly review with our senior leadership various diversity statistics relating to gender, ethnicity, age, military service and other attributes, some of which are illustrated below. We also use our annual Employee Engagement Survey to solicit employee perceptions of the diversity and inclusiveness of our company-wide culture. Quantitative analysis of our employee population, coupled with a more qualitative understanding of how we are perceived and of the particular challenges we may face as a manufacturing company in the specific regions in which we operate, helps to inform our policy decisions and initiatives related to workforce diversity.

We are committed to increasing the representation of women and of racial and ethnic minorities and military veterans of all backgrounds among our employee ranks. **To support this objective, we have an enterprise-wide target for 80% of all job candidate slates to include a minimum of 30% diverse candidates.**

Gender and Ethnic Diversity

We recognize that the proportions of women and ethnic and racial minorities included in our leadership and total workforce do not reflect the composition of the general population. However, we have long benefited from gender diversity on our Board, and women contribute to our business at the highest levels of senior leadership. In fact, we have been recognized for at least ten consecutive years by 2020 Women on Boards for having a Board comprised at least 20% of women. From May 2019 to May 2021, when she retired from our Board, Diane Creel served as our first Independent Board Chair, following her multi-year service as our Lead Independent Director. Additionally, two of the seven current members of our Executive Council, including our Executive Vice President and Chief Operating Officer and our Chief Human Resources Officer, are women.

Our most recent employee engagement survey results demonstrated year-over-year improvement in employee perceptions of the diversity and inclusiveness of our corporate culture. A majority of respondents agreed that as an organization we value diversity and cultivate a work environment that is accepting of individual differences. However, our ultimate goal is that all respondents take a positive view of our efforts to promote diversity and inclusion.

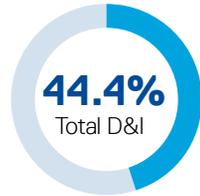
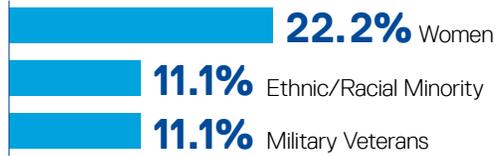
Veterans

Understanding that we have many opportunities to improve our diversity initiatives, we believe that ATI stands out in its efforts to support and provide career opportunities to veterans of the U.S. armed forces. More than 5% of our senior leadership and more than 8% of our total employee population are military veterans. The defense market is critical to ATI and is a growing component of our business, and we have a formal company-wide strategy and commitment to the recruitment, career development and retention of veterans and the extended military community. We value the contributions of our military community members and recognize the technical and leadership skills earned through the devotion to our company and country.

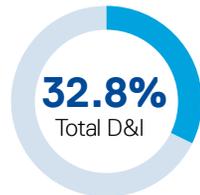
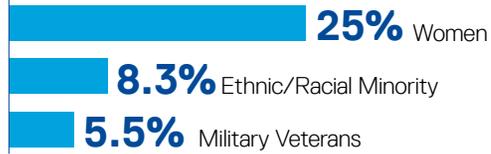


Diversity & Inclusion in Leadership

Board of Directors



Senior Leadership

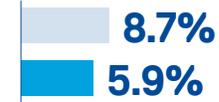


Employee and New Hire Diversity & Inclusion

Women



Military Veterans



Ethnic/Racial Minorities



Total Diversity & Inclusion



■ Total Employee Population

■ 2021 New Hires

- ▶ Additionally, we are making extensive efforts to identify and attract diverse candidates through comprehensive recruiting strategies that include, among other initiatives, campus partnerships with female and minority student chapters of targeted professional groups, such as the Society of Women Engineers, Society of Hispanic Engineers, and Society of Asian Scientists and Engineers at our partner universities and increased outreach through engagement with additional networking groups, such as the National Society of Black Engineers, the National Association of Black Accountants and the Association of Latino Professions in Accounting and Finance.
- ▶ We believe that we are seeing the impact of our diversity initiatives. Notably, our 2021 new hire statistics outpace the composition of our existing employee base for both women and ethnic minorities. While military veterans as a proportion of our total workforce exceeds the percentage of veteran new hires in 2021, at 5.9% of 2021 new hires, our success in recruiting veterans during 2021 is consistent with the representation of military veterans in the general U.S. population. Military veterans comprise more than 8% of our total workforce, or nearly 50% higher than their proportion of the general U.S. population.





Human Rights

ATI is committed to conducting its business activities in a manner that respects human rights and in compliance with applicable local, national and international laws and regulations related to the protection of human rights including prohibition of human trafficking and slave labor. ATI's Human Rights policy, which applies to employees, contractors, suppliers and agents, supports ATI's commitment to protecting human rights and is designed to support compliance with applicable laws and regulations such as the United States Government's Federal Acquisition Regulations clauses related to combating trafficking in persons and the UK Modern Slavery Act.



Community Involvement

In 2021, We Energies and ATI cut the ribbon on the largest solar power project in the history of Cudahy, Wisconsin. ATI's vacant land is now home to We Energies' 7,000 solar panels, which provide carbon-free power to homes across Wisconsin. The Solar Array project also won the inaugural ATI CEO Award for Safety and Sustainability.

Also in 2021, a partnership between Harrison Township, PA, ATI and Western Pennsylvania Conservancy planted trees on ATI's property, providing a barrier between the industrial site and the community and enhancing stormwater collection.

ATI is a proud supporter of United Way and through its employee campaigns contributed over \$300,000 to United Way Chapters throughout the United States in 2021.

All of our business units are engaged with their communities through monetary donations, food bank drives, school supplies and toy drives for the holidays. Our extremely generous employees deserve special recognition for all the time, effort and resources they committed to charitable causes, even during a global pandemic.

Located less than 90 miles from the Ukrainian border, our 400+ colleagues at ATI Forged Products in Stalowa Wola, Poland, together with their community, are embracing and supporting refugees displaced by the Russian invasion. In support of their efforts, we contributed a total of \$50,000 to Polish Humanitarian Action (PAH), which supports emergency response to refugees, including providing shelter and access to food and necessities.

Each year, ATI SM employees and their families help those in need in our community during United Way's Day of Caring. The Day of Caring projects involve activities such as lawn care, weeding flowerbeds, pruning shrubs, picking up trash, washing windows, and light painting. The majority of project sites are at the homes of the elderly.

ATI participated in Partner4Work's Learn & Earn Summer Youth Employment Program (Learn & Earn) that is designed to provide meaningful work experiences and career exposure to low-income young adults residing in Allegheny County, Pennsylvania.





CORPORATE GOVERNANCE

We are committed to a strong self-governance program. Our corporate governance practices are designed to maintain high standards of oversight, compliance, integrity and ethics, while promoting growth in long-term stockholder value. The role of our Board of Directors is to ensure that ATI is managed for the long-term benefit of our stockholders and other stakeholders.

Each year, we review our corporate governance and compensation policies and practices and engage with our stockholders. In our ongoing effort to ensure that our governance policies and practices consistently reflect best practices, we take suggestions from our stockholders into consideration, along with developments and evolving trends reflected in the standards established by proxy advisory firms, as well as in the policies, practices and disclosures of other public companies. In this way, we affirm our commitment to performance and innovation by continually evolving our programs to benefit all of our stakeholders. You can learn more on our website [ATImetals.com](https://www.atimetals.com)



Governance Highlights

Our commitment to good corporate governance is illustrated by the following practices:

- ▶ Board independence (8 out of 9 directors are independent)
- ▶ Lead Independent Director
- ▶ Independent directors regularly meet in executive sessions without management present
- ▶ 100% independent Audit & Risk, Personnel & Compensation, and Nominating & Governance Committees
- ▶ Annual Board and committee self-assessments
- ▶ Strong corporate governance guidelines and policies
- ▶ Majority voting/director resignation policy for uncontested elections
- ▶ Board diversity (female and minority directors comprise over 30% of our current Board)
- ▶ Mandatory director retirement age
- ▶ Proxy access
- ▶ Limits on future severance arrangements
- ▶ Robust stock ownership guidelines for directors and executive management
- ▶ Intensive succession planning for our Board and executive leadership
- ▶ Well-established Board strategic and risk oversight function



OUR BOARD

ATI has a diverse, highly credentialed and highly experienced Board. Our directors possess a variety of tenure, qualifications, backgrounds, skills and experiences contributing to a Board that is well-rounded and well-positioned to effectively oversee our business and promote the interests of our stakeholders.

Highly Engaged Board Guides the Strategic Direction of Our Company

- ▶ Actively oversees long-term strategic planning and capital allocation decisions, including through an annual, multi-day strategic planning meeting in addition to regular quarterly and other Board meetings.
- ▶ Regularly assesses and oversees management and mitigation of known and emergent risks to our business.
- ▶ Conducts site visits at our facilities throughout the United States. Though our recent ability to conduct these visits has been curtailed by the ongoing COVID-19 pandemic, they are a valuable component of our normal governance practices; visiting our facilities allows our directors to meet with management and other employees and to gain both firsthand exposure to the technologies that drive our success and deeper knowledge of the strengths and challenges of our business and how they tie to our near and long-term strategic goals.
- ▶ Actively and continuously engages in robust Board and senior management succession planning.
- ▶ 93% overall attendance rate for Board and Committee meetings during 2021, and more than 96% over the last three years.
- ▶ Market-driven stock ownership guidelines.

ATI Board Of Directors

Robert S. Wetherbee

Board Chair, President and Chief Executive Officer, Allegheny Technologies Incorporated

J. Brett Harvey

Lead Independent Director of ATI. Retired Chairman and Chief Executive Officer of CONSOL Energy, Inc., a leading diversified energy company in the United States.

Leroy M. Ball

President and Chief Executive Officer, Koppers Holdings, Inc., a leading integrated global provider of treated wood products, wood treatment chemicals and carbon compounds

Herbert J. Carlisle

President and Chief Executive Officer of the National Defense Industrial Association (NDIA), and retired four-star general from the United States Air Force (USAF)

Carolyn Corvi

Retired Vice President, General Manager of Airplane Programs of The Boeing Company

James C. Diggs

Retired Senior Vice President and General Counsel of PPG Industries, Inc., a producer of coatings, glass and chemicals

David P. Hess

Retired EVP and Chief Customer Officer for Aerospace, United Technologies Corporation, a global leader in aerospace and technology; formerly President, Pratt & Whitney

Marianne Kah

Retired Chief Economist for ConocoPhillips and current adjunct senior research scholar at Columbia University's Center on Global Energy Policy

David J. Morehouse

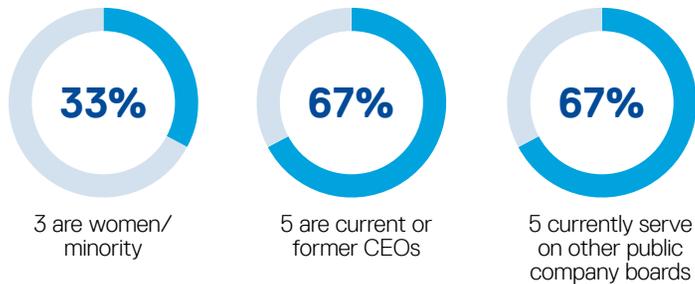
Chief Executive Officer and President of Pittsburgh Penguins LLC, which owns and operates the Pittsburgh Penguins National Hockey League team



Focused and Thoughtful Board Refreshment

- ▶ Our Board routinely engages in succession planning and adds new members on an opportunistic basis when it identifies candidates whom it believes have experience, skill sets and other characteristics that will enhance Board effectiveness.
- ▶ We have a mandatory retirement age, and our Board engages in recruitment as appropriate to support its refreshment efforts.
- ▶ Our annual Board evaluation process assesses the Board’s existing skill sets and the need or desirability of adding members; the Board can appoint new members when presented with candidates who fill a particular need or otherwise would serve as an asset to the Board.

Diversity of Background



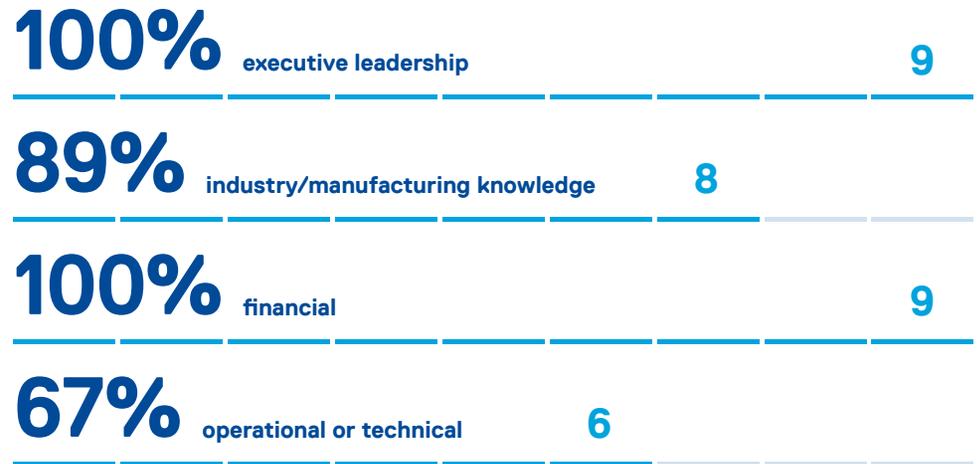
- ▶ 1 completed nearly 40 years of military service
- ▶ 1 qualifies as an audit committee financial expert
- ▶ 4 have extensive experience related to aerospace/defense
- ▶ 2 served as senior executives in the commercial aerospace industry, our largest end market
- ▶ 2 have extensive executive experience in energy markets

Board Refreshment & Independence

+5 directors added **-7** directors retired over the last 5 years

- ▶ 3 longer-tenured directors retired concurrently with our 2021 Annual Meeting.
- ▶ All non-management Directors (**89% of our directors**) are independent.

Diversity of Experience



Director Tenure





ESG Governance and Oversight

Our Board is elected by our stockholders to safeguard their interests through oversight of management and the good faith exercise of its members' business judgment. At the same time, our Board recognizes that the long-term interests of ATI are advanced by recognition of the concerns of other constituencies, including employees, customers, suppliers and the communities in which ATI operates. Accordingly, while not involved in our day-to-day operations, our Board actively oversees matters of key importance to the overall conduct of our business, including among other matters, our financial performance and expectations, development and implementation of our strategic plans, capital structure and allocation, matters impacting our corporate governance and culture, and the identification and mitigation of known and emergent enterprise risks and opportunities, including those pertaining to environmental, workforce and community safety and sustainability.

Our Board has four standing committees, its: Audit and Risk Committee; Nominating and Governance Committee; Personnel and Compensation Committee; and Technology Committee. Each standing committee of the Board is comprised entirely of independent directors, and each has a written charter that describes its responsibilities. Among other matters, each Committee assists the full Board in its oversight of ESG matters as follows:

Environmental Sustainability

The Audit and Risk Committee is broadly responsible for assisting the Board in overseeing risks associated with climate change and other environmental compliance and sustainability matters. The Committee regularly discusses with management the Company's significant risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management guidelines and policies.

The Technology Committee is responsible for assessing the technical capabilities of the Company in all phases of its activities and the risks and opportunities such capabilities present in relation to corporate strategies and plans. Among other matters, it is charged with assisting the Board in identifying and analyzing significant emerging scientific, technological, and product or process-related innovations and current or emerging industry or geopolitical developments regarding the same, that could disrupt or present opportunities to the Company's overall business strategy. From an ESG perspective, it is expected in particular that the Technology Committee's work will enhance that of the Audit and Risk Committee in overseeing the impact of, and the Company's response to, the many challenges and opportunities presented by climate change.

Social Responsibility

The Personnel and Compensation Committee assists the Board in its oversight responsibility concerning executive compensation and management organization matters generally. Among other specific matters, it monitors and encourages the development of intellectual capital and oversees the Company's human capital management policies and procedures, including its workforce and professional development and diversity and inclusion initiatives, the impact to the Company of current or anticipated political, legislative or regulatory trends or developments regarding human capital management, including without limitation diversity and inclusion in the workplace, and management's efforts to mitigate any resulting risks to the Company.

Governance

The Nominating and Governance Committee assists the Board in overseeing the Company's corporate governance practices and profile, including as appropriate, the legal standards, prevailing recommended practices, investor views and potential benefits and risks associated with or impacting such governance practices and profile. It leads the Board's director succession planning and recruitment efforts and makes recommendations to the Board concerning its committee structure, the membership of committees of the Board and the chairpersons of the respective committees, including committee member qualification, appropriate delegations of authority to its various committees, and exercise of its oversight function with regard to ESG matters through the operation of its committees.

Cybersecurity

Our Chief Information Security Officer leads a dedicated cybersecurity team that drives a global program based on risk management and defense-in-depth strategies. We place a high priority on the security of our information and operational technologies in each of our global business units. We focus on continuous improvement to meet and exceed industry and regulatory cybersecurity standards to protect our personnel, our intellectual property, and our customers' sensitive data. We protect, control, monitor, and test our systems by leveraging governance processes, and both proactive and reactive technology. We also closely track national vulnerability databases and threat intelligence reporting from several national, international, public, and private organizations. Our employees are trained to be an additional line of defense through education and awareness training programs and regular phishing exercises to have a "healthy sense of paranoia" against cyber threats.



Ethics and Compliance

ATI is committed to more than just adherence to laws and regulations. Our commitment is to reflect the highest level of integrity and ethics in our dealings with each other, our customers, our suppliers, our stockholders, the public, and the government agencies with whom we engage. ATI's [Corporate Guidelines for Business Conduct and Ethics](#) (our "Code of Ethics") are a reminder and summary of key Company policies applicable to the conduct of all of our employees in every part of the world.

[Our Corporate Guidelines for Business Conduct and Ethics](#) (our "Code of Ethics") apply to all directors, officers and employees, including our principal executive officer, our principal financial officer, and our controller and principal accounting officer. We require all directors, officers and employees to adhere to our Code of Ethics in addressing legal and ethical issues encountered in their work. Ongoing training and annual compliance questionnaires ensure compliance and diligence.

Our Code of Ethics requires that our directors, officers and employees avoid conflicts of interest, comply with applicable laws, conduct business in an honest and ethical manner, and otherwise act with integrity and honesty in all of their actions by or on behalf of the Company. It includes a financial code of ethics specifically for our Chief Executive Officer, our Chief Financial Officer, and all other financial officers and employees, which supplements the general principles in the Code of Ethics and is intended to promote honest and ethical conduct, full and accurate reporting, and compliance with laws, as well as other matters.

Only the Audit Committee of the Board can amend or grant waivers from the provisions of the Code of Ethics relating to the Company's executive officers and directors, and any such amendments or waivers will be promptly posted on our website at ATImetals.com. To date, no such amendments have been made or waivers granted.

All employees are provided with a copy of the Code of Ethics. Each year, we require all officers and managers to certify as to their understanding of and compliance with the Code of Ethics. In addition, all directors, officers and other employees must annually complete an interactive online ethics course addressing the Code of Ethics. This course is part of ATI's broader ethics and compliance program, which includes online ethics training that is administered by a third party.

In 2021, ATI's online ethics courses addressed:

- ▶ Anti-corruption/anti-bribery
- ▶ Cybersecurity
- ▶ Protecting intellectual property
- ▶ Sexual harassment
- ▶ Diversity and inclusion
- ▶ Reporting ethical concerns

We encourage employees to communicate concerns before they become problems. We believe that building and maintaining trust, respect and communication between employees and management and between fellow employees is critical to the overarching goal of efficiently producing high quality products, providing the maximum level of customer satisfaction, and ultimately fueling profitability and growth.

The ATI Ethics Helpline provides for confidential, secure, and anonymous reporting and is available 24 hours a day. Additionally, our Chief Compliance Officer and ethics officers at our operating companies also provide confidential resources for employees to surface their concerns without fear of reprisal.

Additionally, we have joined the Business Ethics Leadership Alliance which has over 330 member companies and focuses on leadership in ethics.



Supply Chain Responsibility and Supplier Expectations

Compliance with our Supplier Expectations and Supply Chain Policies is a fundamental requirement of conducting business with ATI. In the event a supplier fails to comply with our Supplier Expectations and Supply Chain Policies, ATI reserves the right to take appropriate action, which may include, without limitation, suspension and/or termination of engagement with the supplier. ATI's Supplier Expectations and Supply Chain Policies are outlined on our public website and address the following:

A. Integrity + Ethics - ATI expects all of our suppliers to conduct their business ethically and with integrity and to comply with the basic principles set forth in ATI's Corporate Guidelines for Business Conduct and Ethics. This includes compliance with all applicable local, national, and international laws and regulations.

B. Safety, Health, & Environmental Compliance - ATI expects its suppliers to commit to operating a safe workplace and to follow and proceed with using all applicable safety, health and environmental laws, regulations, and rules.

C. Anti-Corruption & Anti-Bribery Compliance - ATI expects its suppliers to comply in all respects with the U.S. Foreign Corrupt Practices Act, the UK Bribery Act and all other anti-corruption and anti-bribery laws and regulations applicable throughout the world.

D. Human Rights –

a. ATI's Policy Regarding Combatting Trafficking in Persons - ATI expects all of its suppliers to conduct business in a manner that respects human rights and to comply with all local, national and international laws, regulations and standards related to employment and labor practices and the prohibition of human trafficking and slave labor. ATI also expects all of its suppliers to comply with the basic principles and standards of the ATI Policy Regarding Combatting Trafficking in Persons. ATI reserves the right to immediately suspend or discontinue engagement with suppliers and will take appropriate action if we suspect any supplier has violated any law or regulation related to prohibition of human trafficking and slave labor or has not met the standards of the ATI Policy Regarding Combatting Trafficking in Persons.

b. Conflict Minerals - ATI expects all of its suppliers to conduct business in a manner that respects human rights and not to support sources or parties that contribute to human rights abuses. ATI expects its suppliers to be aware of the requirements of the Dodd-Frank Act and to fully support ATI's Dodd-Frank Act compliance efforts by providing transparency into the supply chain from the original source to ATI. ATI will immediately suspend or discontinue engagement with any supplier where we have identified that such supplier is sourcing from, or linked to, any party that supports illegal armed groups, fuels conflict, contributes to human rights abuses, or is not in compliance with the rules promulgated under the Dodd-Frank Act.

See more at [ATIMetals.com](https://www.atimetals.com) About ATI-Suppliers.

Responsible Procurement/Ethical Sourcing

ATI's policy is to only purchase materials from legitimate and reputable suppliers, and to maintain a sustainable and responsible supply chain that does not in any way contribute to human rights abuses, fuel conflict, or benefit illegal armed groups. In accordance with this policy, ATI has implemented internal risk-based due diligence procedures designed to provide transparency to the origin of conflict minerals in our supply chain. **These procedures are based around three main elements:**

1. Product Risk Assessment
2. Supplier Risk Assessment
3. Reasonable Country of Origin Inquiry

In accordance with these procedures, for products that we manufactured in 2021, the responses to ATI's Reasonable Country of Origin inquiry during the 2021 calendar year reporting period gave ATI no reason to believe that any tin, tungsten, tantalum or gold not from scrap or recycled sources that are intentionally added and necessary to the functionality or production of our products ("necessary conflict minerals") originated in the Democratic Republic of the Congo or adjoining countries (the "Covered Countries").





TABLE 1. SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS

Under the Sustainability Accounting Standards Board (“SASB”) sustainable industry classification system, we fall within the Iron & Steel Producers industry classification. We do not engage in integrated steelmaking. Although our operations include Electric Arc Furnaces (EAFs), which use scrap steel, **we do not melt carbon steel** or operate iron and steel foundries, nor is our production limited to ferrous products. Our operations could also be included within the Aerospace and Defense category on the basis of the SASB standards and inclusion of certain value-added processing of aerospace materials. Accordingly, the following also references certain components of the Aerospace and Defense SASB reporting framework.

TOPIC	ACCOUNTING METRIC	CATEGORY	2021 - UNIT OF MEASURE	CODE	REPORT LOCATION
Greenhouse Gas Emissions	Gross global Scope 1 and 2 emissions, percentage covered under emissions-limiting regulations	Quantitative	430,192 Scope 1 and 229,751 Scope 2 Metric tons (MT) CO ₂ e (-15% and -53%, respectively, compared to 2018) 0% covered under emissions-limiting regulations	EM-IS-110a.1	Environmental Sustainability - Our 2021 Performance and Progress Toward Our Goals - GHG Air Emissions
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	n/a	EM-IS-110a.2	Environmental Sustainability - GHG Air Emissions



TOPIC	ACCOUNTING METRIC	CATEGORY	2021 - UNIT OF MEASURE	CODE	REPORT LOCATION
Air Emissions¹	Air emissions of the following pollutants: (1) CO, (2) NOx (excluding N2O), (3) SOx, (4) particulate matter (PM10), (5) manganese (MnO), (6) lead (Pb), (7) volatile organic compounds (VOCs), and (8) polycyclic aromatic hydrocarbons (PAHs)	Quantitative	Metric tons (t) See in body of report for detail on 2021 Performance	EM-IS-120a.1	Environmental Sustainability - Additional Environmental Efforts
Energy Management	Energy Management (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	12,047,835 Gigajoules (GJ) consumed 19% grid electricity Using a market based grid mix for 2021 12% of total energy consumed was purchased from renewable sources, including nuclear power	EM-IS-130a.1	Environmental Sustainability - Our 2021 Performance and Progress Toward Our Goals - Energy Intensity
	(1) Total fuel consumed, (2) percentage coal, (3) percentage natural gas, (4) percentage renewable	Quantitative	Total Fuel consumed (other than electricity) 8,243,347 MMbtu 0% coal, 0% renewable	EM-IS-130a.2	N/A

¹Data includes facilities that are otherwise required to report



TOPIC	ACCOUNTING METRIC	CATEGORY	2021 - UNIT OF MEASURE	CODE	REPORT LOCATION
Water Management	(1) Total fresh water withdrawn, (2) percentage recycled, (3) percentage in regions with High or Extremely High Baseline Water Stress	Quantitative	(1) Approximately 4.1 million kilo-gallons (2) Not reported (3) 0%	EM-IS-140a.1	Environmental Sustainability - Our 2021 Performance and Progress Toward Our Goals - Freshwater Intake
Waste Management	(1) Amount of waste generated, (2) percentage hazardous, (3) percentage recycled	Quantitative	165,501 Metric tons (t) of waste was generated and disposed of in 2021, of which 2% was hazardous waste and 81% was recycled	EM-IS-150a.1	Environmental Sustainability - Material Recycled
Workforce Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) full-time employees and (b) contract employees	Quantitative	(1) 0.85 per 200,000 hours worked (2) 0 (3) Not reported	EM-IS-320a.1	Social Engagement - Ensuring Workplace Safety and a Zero-Injury Culture



TOPIC	ACCOUNTING METRIC	CATEGORY	2021 - UNIT OF MEASURE	CODE	REPORT LOCATION
Product Safety	Number of recalls issued; total units recalled	Quantitative	0	RT-AE-250a.1	N/A
	Number of counterfeit parts detected; percentage avoided	Quantitative	0	RT-AE-250a.2	N/A
	Number of Airworthiness Directives received, total units affected	Quantitative	0	RT-AE-250a.3	N/A
	Total amount of monetary losses as a result of legal proceedings associated with product safety	Quantitative	0	RT-AE-250a.4	N/A
Data Security	(1) Number of data breaches, (2) percentage involving confidential information	Quantitative	0	RT-AE-230a.1	N/A
	Description of approach to identifying and addressing data security risks in (1) company operations and (2) products	Qualitative	N/A	RT-AE-230a.2	Corporate Governance - Cybersecurity