



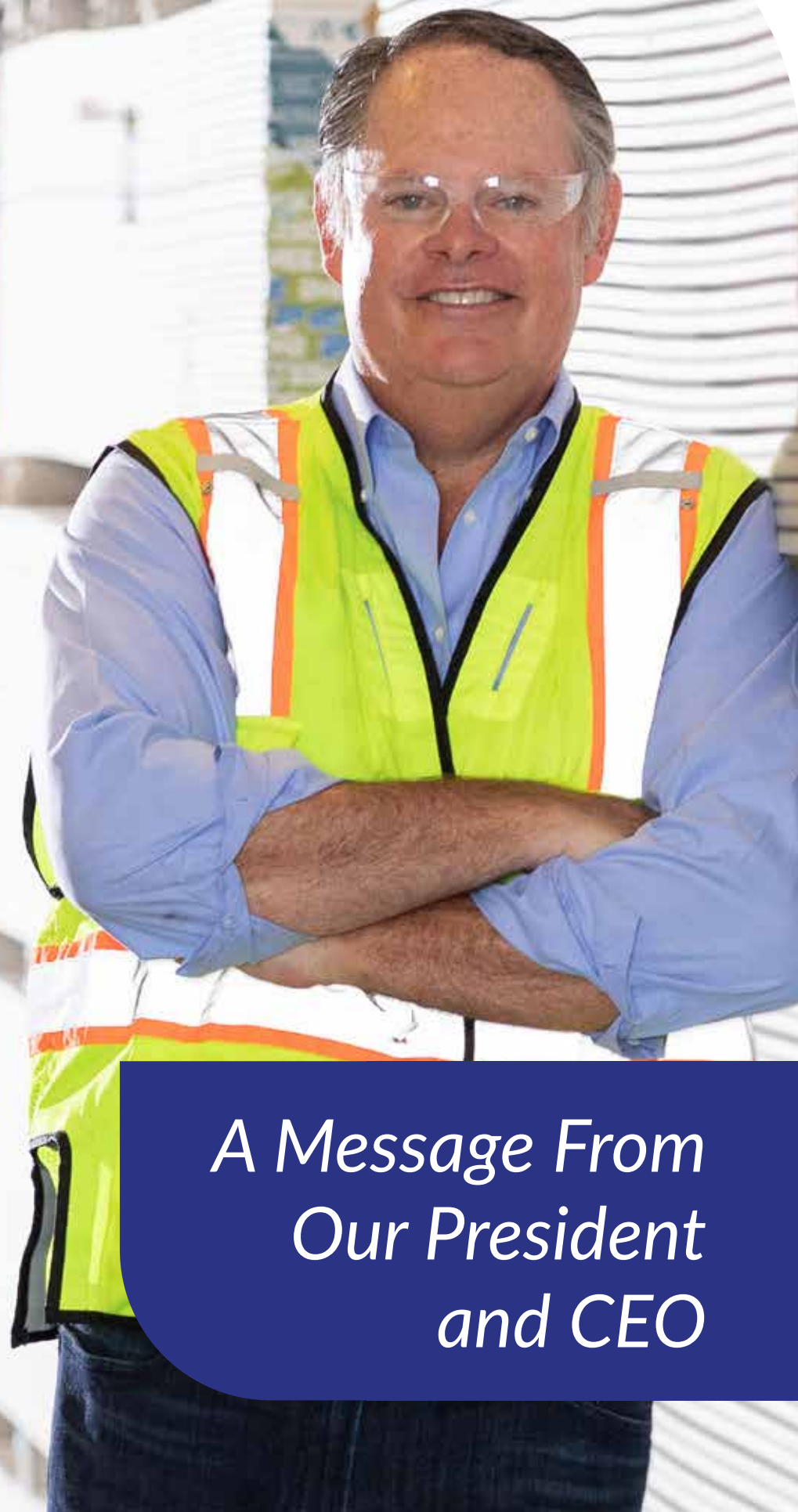
GMS Inc. CORPORATE SOCIAL RESPONSIBILITY

2024



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A Message From Our President and CEO

Dear Stakeholders,

At GMS, we believe you can never go wrong “doing the right thing.” I am excited to share this year’s Corporate Social Responsibility Report, highlighting our dedication to operating responsibly. As we strive to be the premier distributor of building products in every market we serve, we recognize that providing a positive impact for our people and minimizing our impact on the environment helps us better serve our customers and deliver results to all our stakeholders.

Advancing safety and our people

We are passionate about pursuing a safe work environment and investing in relationships with our team members to foster growth and career opportunities. We want our people to have the independence and authority to make a difference. As part of our vehicle safety focus, we completed our truck camera retrofit initiative on the majority of our on-the-road vehicles and for all new vehicles going forward. Further, we began using artificial intelligence technology integrated in our truck cameras to foster safer driving. Through our focus on career growth, we have formalized training programs aimed to advance and retain employees, including initiatives targeted at traditionally underrepresented groups.

Recognized governance leadership

At the foundation of our achievements lies our dedication to cultivating an organization that conducts itself with integrity through strong oversight and accountability. Underscoring our commitment to strong governance, two of our directors were honored in 2023 for their excellence in board leadership: Peter C. Browning received the B. Kenneth West Lifetime Achievement Award from The National Association of Corporate Directors and Teri P. McClure was awarded The Sandra Day O’Connor Board Excellence Award by DirectWomen.

Enhancing energy efficiency

We are focused on operating responsibly to minimize our environmental impact. We regularly evaluate cost-effective ways to decrease our emissions. To reduce our energy use, we have begun a project to replace lighting at many of our yards with more efficient LEDs. We continued our commitment to reducing our emissions by expanding our fleet equipped with first-of-their kind battery-powered cranes. We plan to add additional units over the next few calendar years as they become available.

We will continue to consistently deliver excellence to our customers and other stakeholders by honoring the fundamental practices embedded within GMS.

Sincerely,

John C. Turner, Jr.
President and Chief Executive Officer

**ESG practices are
deeply embedded
in our company.**

GMS at a Glance

53
Years of
Operating

7,600+
GMS Team
Members

300+
Distribution Yard
Locations across the
U.S. and Canada

60+
Leading
Brands

100+
Tool Sales,
Rental &
Service Centers

GMS is a leading North American specialty building products distributor, operating more than 300 distribution centers to distribute over 20,000 unique products from the industry's leading manufacturers. We also operate more than 100 tool sales, rental, and service centers. At GMS, we maintain a local go-to-market focus, enabling us to generate significant economies of scale, while maintaining high levels of customer service.

Our Values

GMS' unique culture combines a results-driven environment with a highly entrepreneurial, self-starter attitude, coupled with service to others, humility, and mutual respect, and is guided by a strong Vision, Mission, and Core Values.

Our Vision:

We will be the premier distributor in every market we serve through embracing our unique culture and professional humility.

Our Mission:

We create opportunities, build significant relationships and deliver solutions.

Our Values:

At GMS, our core values are more than words – they're the foundation on which our company was built and woven into everything we do.

- Our people have the independence and authority to make a difference.
- We invest in relationships and every person is important.
- Our highest priority is serving others.
- We passionately pursue a safe work environment along with a relentless focus on operational excellence.
- We believe ***you can never go wrong doing the right thing.***

Our Approach to Corporate Social Responsibility

At GMS, we focus on “doing the right thing” in a way that is best for our business, the environment, and the communities in which we operate. We are committed to conducting our business in a manner that aligns with our values, promotes environmental sustainability, embodies socially responsible business practices, protects data used in our business, and supports our employees.

Our Executive Leadership Team and ESG Project Leads review our ESG strategy and are responsible for bringing ESG and sustainability initiatives forward for our business and planning for the future. The GMS Board of Directors (“Board”), via the Nominating and Corporate Governance Committee, oversees our ESG programs and performance. The Nominating and Corporate Governance Committee receives quarterly updates from the ESG Project Leads.

We recognize the importance of understanding the sustainability impacts of our business for our stakeholders, including our employees, customers, and shareholders. Our priorities and disclosures are guided by our stakeholders and third-party frameworks, including the Sustainability Accounting Standards Board (“SASB”) Multiline and Specialty Retailers & Distributors Standard and the Task Force on Climate-related Financial Disclosures (“TCFD”).

This report provides an overview of our governance, oversight, policies, programs, and performance regarding corporate social responsibility matters. We look forward to obtaining feedback from our stakeholders and building on the initiatives outlined in this report as we further develop our corporate social responsibility practices and disclosures.

Unless otherwise specifically stated, this report covers the Company's performance in fiscal year 2024 ended April 30, 2024.



At GMS we provide a competitive total rewards package that is designed to attract, retain and motivate high performing talent. All full-time, non-union team members are eligible for company benefits, including the following:

- Health, dental, and vision insurance
- Health Savings Account
- Flexible spending accounts for health and dependent care
- Life Insurance
- Disability Insurance
- 401(k) retirement program with company match
- Employee Stock Purchase Plan
- Paid time off
- Paid parental leave
- Life Assistance Program

Plus, GMS offers a variety of voluntary benefits that team members can enroll in to meet their individual needs.

Celebrating our strengths as identified in our Employee Survey:

- Culture operates by strong values
- Supportive leaders who strive to do the right thing
- Dedication to Safety as a top priority

People

Engaging and Advancing Team Members

To prepare our team members for advancement, we have multiple leadership development programs and training courses available.



FUEL is our flagship senior leadership development program that strengthens our “Enterprise Leadership” capability across GMS to drive business results and develop in-house candidates for promotion and advancement.



IGNITE is our premier management development program for GMS people leaders. This program is focused on understanding key management processes, skills, and practices necessary to support a culture of inclusion, engagement, learning, and performance.



SPARK, launched in FY24, is designed to drive development opportunities deeper into our organization and gives our team members insight into what it means to become a manager at GMS.

We have a disciplined annual succession planning process. As part of this process, we collaborate with our managers and leaders to help identify areas for growth and skill gaps for our team members. We address those needs through a combination of targeted self-paced programs housed in our learning management system, GMS University, in-person development courses, and individual and group coaching opportunities. We continuously review the training to ensure we have maximum impact on our team members, and that team members are empowered to implement newly acquired skills and leadership competencies.

To address an identified skills need, we offer an internal Entry Level Driver Training (“ELDT”) course, which the Federal Motor Carrier Safety Administration requires as a condition to obtaining a commercial driver’s license. GMS partnered with a third party to develop and create the coursework, which is now offered through GMS University, allowing GMS to become a Registered Training Provider eliminating the expense to prospective and existing employees. These developmental courses have boosted recruiting efforts, as well as bolstered our employee retention efforts. Through April 30, 2024, approximately 292 team members were either in the process of completing or had completed the training course.

Lastly, we believe understanding and capturing team member feedback is pertinent to the engagement of our workforce. We launched a company-wide Team Member Engagement Survey in Fiscal Year 2024. Using the results of the engagement survey, we are able to continually learn, adapt to, and improve the engagement of our team members.



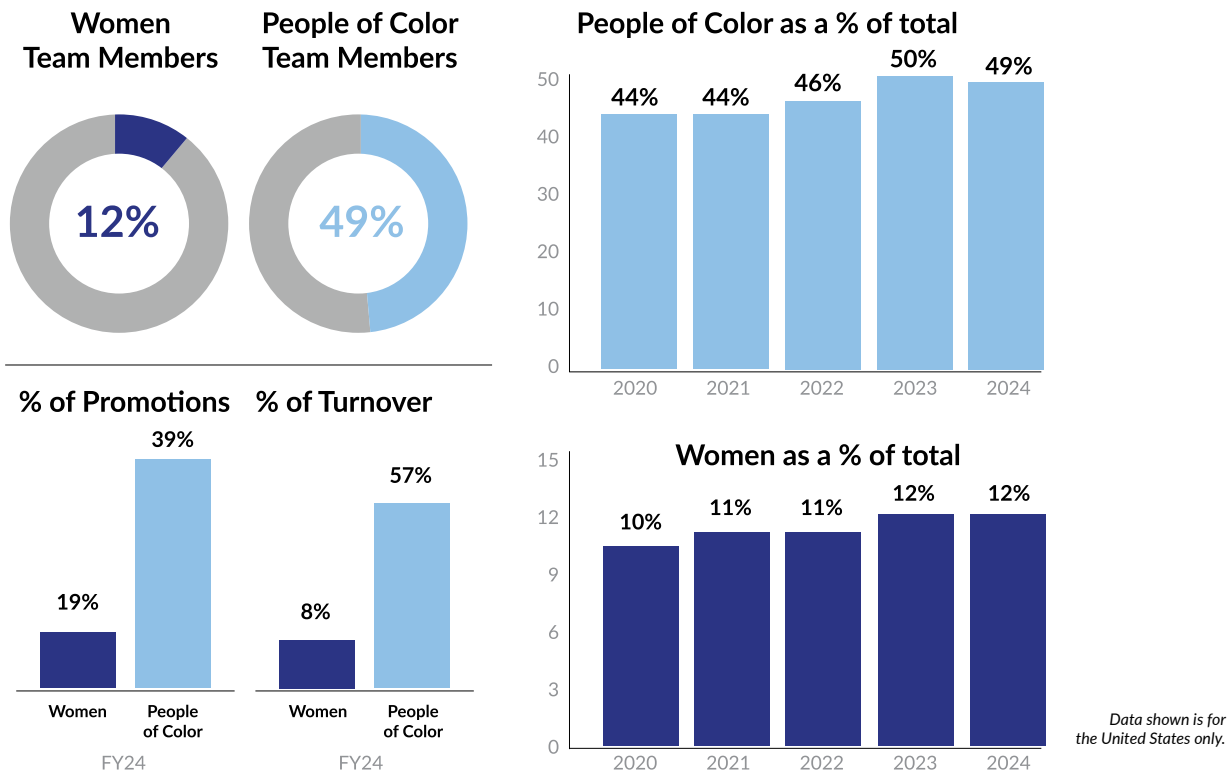
Inclusion & Diversity

Our differences make us a stronger team and the diversity in our thoughts and ideas makes us better able to serve our customers and other stakeholders. We recognize that we have a responsibility to foster a workplace that values contributions and perspectives from a variety of backgrounds, skills, and experiences. Both our Board and Executive Leadership Team are committed to fulfilling this responsibility and recognize our work here is never done.



We have a company-wide Inclusion and Diversity (“I&D”) program designed to support an inclusive and diverse work environment. Our Director, Inclusion & Diversity, has managerial responsibility for our I&D program with quarterly oversight by our Board through the Human Capital Management and Compensation Committee.

Our Human Resources Department actively monitors our hiring and promotion processes so diverse candidates are considered for open roles. We have established an I&D dashboard to monitor composition of our workforce, and, as part of our I&D program, we partner with third-party coaches geared towards preparing underrepresented groups for career advancement and leadership training programs with a focus on I&D matters for employees at differing levels within the business. Through our I&D efforts, we strive to enhance awareness, increase our workforce diversity, and drive inclusion and engagement.



Health & Safety

Our Safety Mission

Providing a safe work environment for our employees, contractors, and customers is a primary mission for all of us at GMS and our family of companies. Our goal is to incur zero accidents and to ensure everyone goes home safely at the end of every day. To achieve our goal, we abide by all safety requirements and regulations, and we endeavor to eliminate unsafe conditions and minimize related risks by identifying and supporting safe work practices, promoting safety awareness, providing employee training and education, and furnishing protective equipment. Safety is a constant focus of our management team with regular reporting to, and oversight by, our Board of Directors. We work together to protect our employees, contractors and customers by promoting a culture of shared responsibility with collaborative program development, best practices, and the open exchange of suggestions, ideas and concerns.

Fostering a Safe Work Environment

Because safety is the cornerstone of our business, we strive to provide the highest level of safety not only for our employees, but also for those we serve. We feel operational excellence and safety go hand-in-hand which is why safety plays such a large part in GMS's unique culture. We pride ourselves on providing best-in-class training, accountability, and recognition for our team members.

Led by our VP of Risk Management, we have a comprehensive Risk Management and Safety team of professionals, including dedicated and certified regional safety managers across our enterprise. Recent safety initiative examples include:

- **CAS** — all new on-the-road vehicles are outfitted with collision avoidance technology as part of our standard specifications.
- **Truck Cameras** — In March of 2024 we completed our retrofit initiative on the majority of our on-the-road vehicles with multi-camera systems, and all new vehicles procured are equipped with cameras upon delivery. Over \$6M has been invested in this technology so far.
- **Artificial Intelligence (AI)** — In February 2024, we began utilizing alerts through the AI technology integrated into our truck cameras to provide coaching opportunities to improve driving behaviors and in turn reduce accidents.
- **Driver Scorecard** — a grassroots tool created within our logistics system dashboard which combines four main sources of both lagging and leading indicators from assessing real-time driver qualification and driving behavior.
- **Vehicle Fall Protection** — After implementing a policy forbidding team members to routinely access the bed of trucks, we partnered with a vendor to create custom reusable tarps to mitigate the risk of falls from our trucks.
- **Cable Viper™** — internally developed and patented a tool to unlatch railcar cabling without the need for an employee to be on top of a rail car which reduces fall hazards.
- **Safety Task Force** — established to test and review new safety products in the field which are applicable to our industry, including Personal Protective Equipment ("PPE"), to ensure quality and protection. Approved products are available through our tool distribution subsidiary which has a "Safety Task Force" section.
- **Drywall Cart Redesign** — Patented a new drywall delivery cart design that reduces tip-over accidents, which can cause significant injuries.

Prior to delivering to a customer's job site, if it is not a routine delivery, we often conduct pre-delivery assessments documenting specific requirements and safety considerations. Post-delivery, we may conduct job site assessments to make certain our crew's delivery was performed to our high standards. We are fully committed to regulatory compliance under the Occupational Safety and Health Administration ("OSHA") and the Department of Transportation ("DOT"). Periodically, we invite Risk Management and OSHA consultants into our facilities to assist in identifying any safety-related conditions we may need to consider. Similarly, we host DOT officers at our facilities to have them share their observations regarding our fleet and how we can remain compliant with Federal Motor Carrier Safety Administration ("FMCSA") regulations and maintain or improve upon our safety ratings.

GMS has developed a robust safety training program. Field operations employees receive training starting at their hire and through regular, on-going training sessions, including at regular safety meetings, and on new equipment and procedures. Each subsidiary trains and certifies all its operators in-house so they have the confidence to safely perform their job. Local safety managers oversee vehicle maintenance, perform documented safety audits and assessments, and conduct weekly safety meetings. We provide recurrent safety training on articulating boom loaders, fall protection, hazard communication, material handling and more.

A few highlights from our comprehensive safety training and communication program are:

- **Gypsum Management & Supply University (GMSU)** — a cloud-based online training warehouse providing timely safety curriculum.
- **Commercial Motor Vehicle Drivers** — All commercial motor vehicle (CMV) operators receive mandatory driver training upon hire, as well as refresher training every 3 years.
- **Articulating Boom Loaders** — All operators of articulating boom loaders (ABL) receive ABL training upon hire and refresher training every 5 years.
- **RISKTalks** — an innovative and engaging approach to regular safety meetings covering industry-related topics, while encouraging dialogue, participation, and feedback from all participants.
- **Safety In Action** — enterprise-wide safety communication platform designed to inform team members of safety-related topics which may affect them or require prompt attention.
- **Accident Bulletins** — quarterly communications highlighting accidents/injuries along with root cause analysis intended to prevent future accidents.
- **Boom Crane Simulator** — a virtual reality-based training program providing new operators with basic training without the exposure of potential accidents.
- **Entry Level Driver Training (ELDT)** — now required by FMCSA prior to obtaining a CDL, GMS developed an in-house solution free of charge to prospective professional drivers.
- **Commercial Drivers License (CDL) Training** — GMS partnered with a third party to offer practice CDL exams for the classroom portion of their CDL test free of charge.
- **Safety Stand Down** — in the event a serious accident or injury occurs, we conduct an enterprise-wide break from work to reinforce a particular policy or best practice.



Training

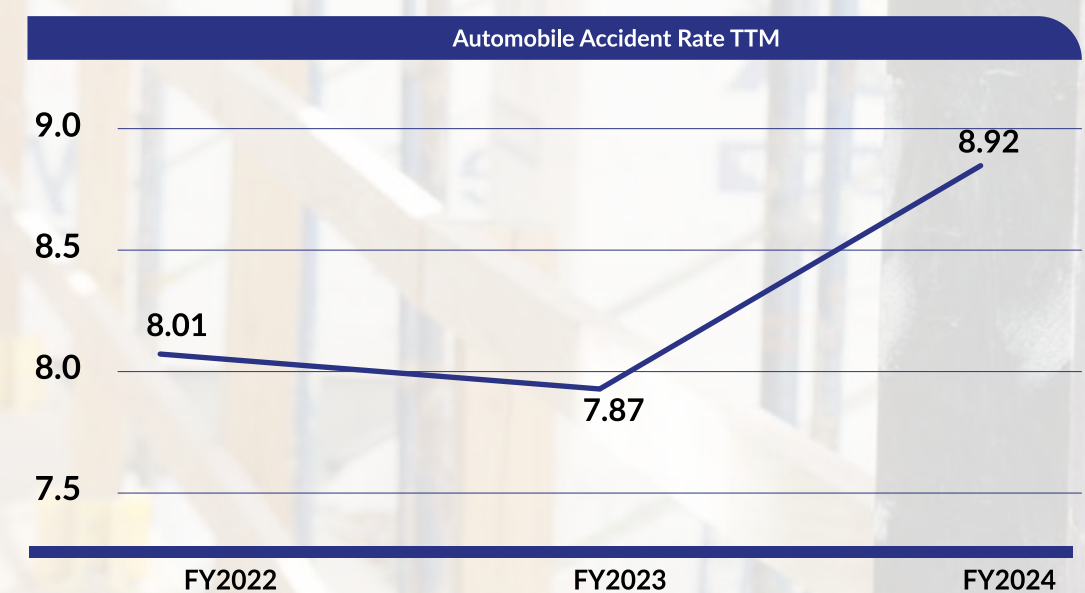
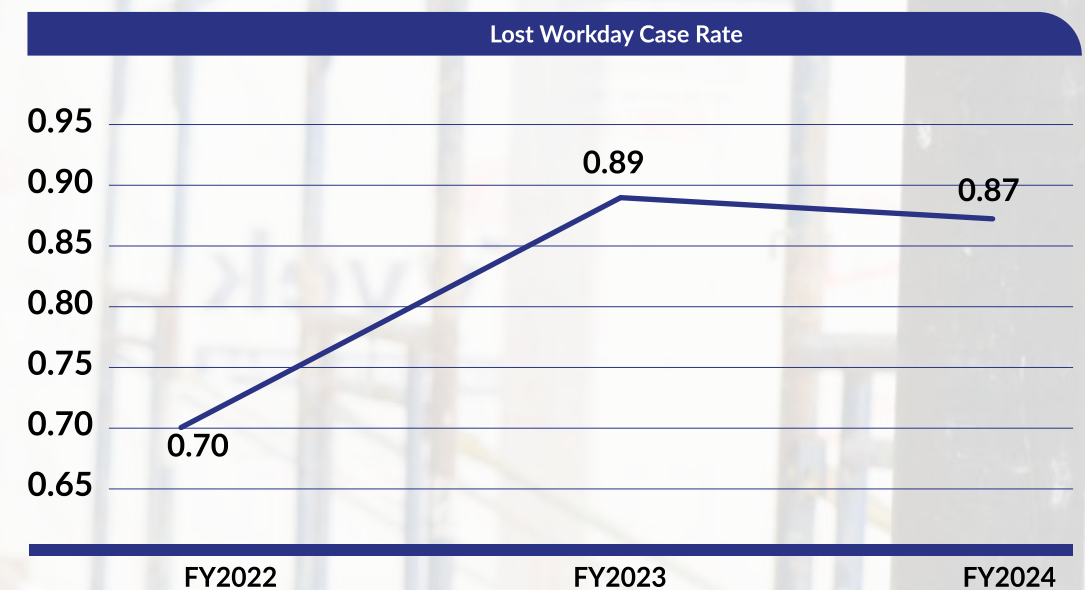
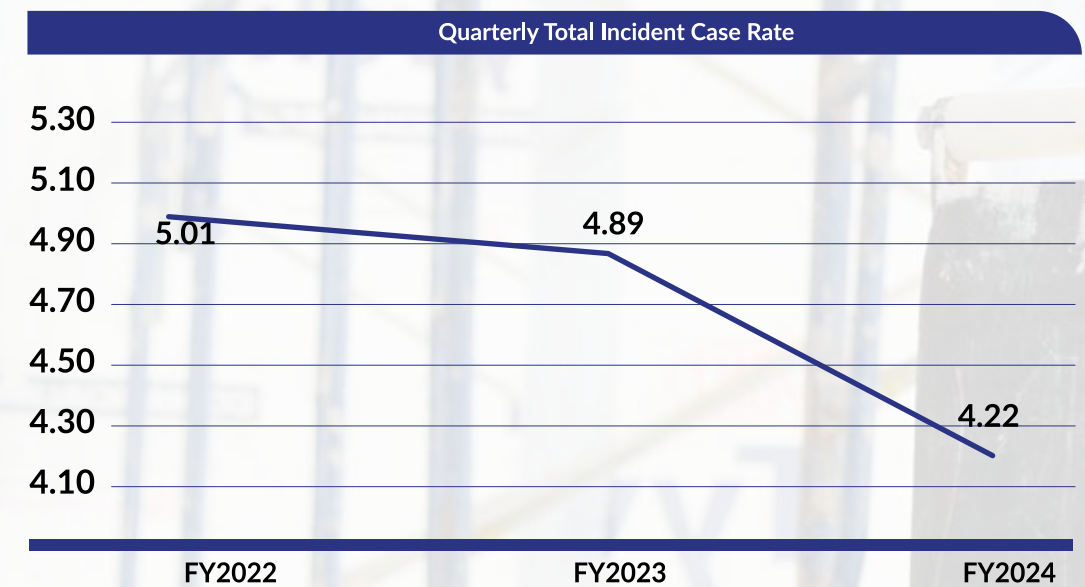


Safety Metrics

Our Risk Management and Safety team, along with our executive leadership and Board of Directors, monitors our safety performance through a range of qualitative and quantitative measures, including:

- **Integrated Risk Management** – a risk management information system which allows us to accurately and frequently analyze our injury and accident trends and exposures.
- **FieldID** – a cloud-based application allowing us to uniformly create audits, observations, and inspections, including Monthly Operating Risk Assessments, Annual Internal Risk and Safety Assessment, and pre- and post- delivery jobsite inspections.
- **Safety Perception Survey** – enterprise-wide survey to measure our employee’s perception of the effectiveness of our safety program.
- **Standardized Metrics and KPIs** – monthly and quarterly metrics detailing enterprise-wide performance trends from a rate, frequency and severity perspective.

We, unlike many building materials distribution industry participants, manually distribute materials, many of which are extremely heavy, throughout each room of a job site. For a multi-family or commercial construction project, this could mean moving stacks of drywall sheets, which weigh in excess of two-hundred pounds into hundreds of rooms within a project. Each project poses different terrain, weather conditions, and other exposures. The Bureau of Labor Statistics categorizes our job classification as “very heavy” due to the strength level and duration of lifting and carrying required. Because of these environmental exposures and physical requirements mentioned above, our operation is exposed to injuries more so than a distributor which may simply dropship materials.



Accountability and Recognition

- **Progressive Safety Discipline** – We utilize a graduated system of management responses to improve safety performance in order to reduce injuries and accidents.
- **Driver Disqualification Table** – GMS aims to hold its drivers to a higher standard than simply using a motor vehicle report (MVR) to be qualified to operate our logistics vehicles.
- **GMS has an internal points system** in which available information assesses points related to: MVRs, DOT violations, DriversAlert calls, and accidents (both on and off-road).
- **Accident Review Committee** – an internal panel comprised of various leaders from SVPs to warehouse supervisors who determine preventability and accountability for certain accidents.
- **All accidents, injuries, and near misses are thoroughly investigated** by our internal claims department and findings shared with our fully staffed risk management department where corrective actions are deployed in an effort to reduce or even eliminate future exposures.
- **1,000 Day Injury-Free Recognition** – celebrating locations with 1,000+ recordable injury-free workdays.
- **Driver Recognition Program** – drivers are recognized for accident-free milestones of miles-driven or years served which reduces our risk and promotes our safety culture and morale. To date we have recognized over 771 drivers and have awarded over \$392,000 in recognition to those drivers.
- **Annual Kids Safety Calendar Contest** – As a way to engage our team members’ families in safety, GMS sponsors a contest for children 12 years of age or younger to submit safety-related artwork.



Consistency Across Geographies

Our safety protocols aim to be the most effective in the industry with a centralized approach of network-wide training for consistent and optimal implementation. We employ a regional network of safety managers who work closely with dedicated safety professionals at our subsidiaries. These regional managers inspect, audit, and observe, which helps us develop appropriate training curriculums specific to our operation. They advise on latest changes in OSHA and DOT compliance, share best practices, and ensure all GMS locations adhere to the same high-level of safety protocols. Monthly check-in calls are held between the GMS Corporate Risk and Safety team and all subsidiary safety professionals to ensure alignment of our enterprise risk and safety goals and initiatives. GMS works to implement the latest technology to ensure uniformity in the way our safety standards are measured.





Environment

We are committed to conducting business in a manner that aligns with our values and promotes environmental sustainability. We have developed operational procedures to manage our environmental impacts and ensure compliance with all applicable laws, rules, and regulations.

Environmental Accountability

GMS is committed to operating responsibly to protect the environment. We seek to integrate recognized best practices to improve our environmental performance, minimize waste, and reduce emissions. We are dedicated to pursuing a policy of continuous improvement to minimize the environmental impact of our business operations. Our environmental responsibility policy applies to GMS and all of our subsidiaries.

We have implemented initiatives to reduce our environmental impact, including employing responsible disposal methods, particularly with regard to hazardous wastes. Additionally, we utilize fleet optimization tools and have equipped many of our trucks with idle-down technology to both reduce emissions and provide the added benefit of reducing noise pollution, thereby creating a safer work environment for our team members.

In addition, during fiscal 2024, we took steps to assess how we could further these efforts. We:



- Refined our process for the collection and calculation of Scope 1 and Scope 2 emissions data for the business.



- Implemented a dunnage and corrugated cardboard recycling program at a large location which has resulted in diversion of over fifty percent of the location's waste from a landfill. In particular, dunnage is being re-purposed to be utilized in agricultural settings to lessen soil erosion and increase water absorption. Opportunities to expand this program are being investigated.



- Replaced traditional lighting with upgraded LED fixtures, resulting in an estimated energy savings of over 400,000 kilowatt hours per year. Additional locations are under examination for lighting conversion projects for the next fiscal year.

Carbon Performance

We are committed to understanding and reducing our greenhouse gas (GHG) emissions. Our Inventory Quality Management System ("IQMS") is our process for documenting our Scope 1 and Scope 2 GHG emissions in line with the Greenhouse Gas Protocol. Our carbon management priorities are to benchmark our facilities' energy use and to identify opportunities to reduce energy use and related emissions.

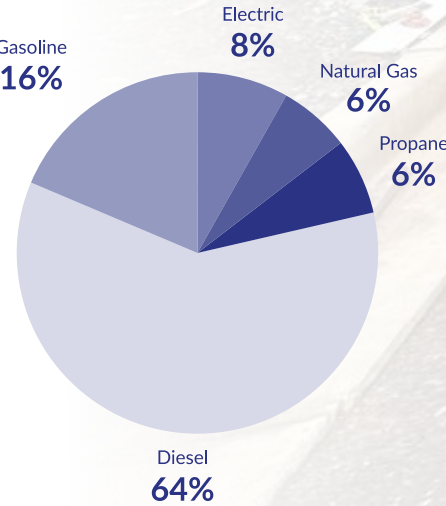
Activity Type	Metric Tons CO2e	Energy Use (GWh)
Direct energy use (Scope 1) <i>Energy use and emissions from our operations, including from our vehicle fleet; furnaces, water heaters, and boilers; forklifts; and air conditioning</i>	104,515	435
Electricity use (Scope 2) <i>On-site electricity use.</i>	8,991	28
Total	113,506	463

**Information shown is based on 95% data completion*

Emissions

Our primary source of Greenhouse Gas ("GHG") emissions and fossil fuel consumption is related to the operation and use of delivery trucks and other vehicles in our business, accounting for approximately 86% of our emissions. Efforts to improve the efficiency of our vehicle fleet include a company-wide adoption of fleet optimization and logistics software and technology, among other initiatives. In addition, where possible, we seek to operate portions of our fleet with environmentally friendlier sources of energy, with approximately 44% of our warehouse forklift fleet powered by propane and electric fuel sources.

Emissions by Source in FY 2024



trucks in use or on order with first-of-its-kind electric articulating boom loaders technology to lower GHG and Nox emissions and improve fuel efficiency

While we do not manufacture any products in our portfolio, we believe we have a joint responsibility to work with our manufacturing and other partners throughout the supply chain network to minimize the environmental impact of our business operations.



Sustainable Products

To support our customers to achieve their sustainability goals, we provide a comprehensive product offering of wallboard, ceiling, steel framing, and complementary products that enable the construction of better insulated, safer and more comfortable buildings.

Our portfolio of cleaner and more efficient products

We carry a wide range of products that meet third-party standards including reduced or completely removed hazardous chemicals, clean indoor air certification, made with recycled materials, or have undergone an environmental impact assessment.

To support our work of offering more environmentally-friendly products, we partnered with a third party to identify the products we stock that have sustainability attributes. We analyzed our top 80% of products by sales, representing 2,891 products carried by GMS, and found:

- 27% of assessed products are certified to a clean indoor air certification.
- 24% of assessed products have undergone a full or partial life cycle review of its environmental impact. This has resulted in either an EPD, ISO 14025 or LCA certification which demonstrate a company's commitment to transparently disclosing the environmental characteristics of their products.
- 23% of assessed products claim to be made of recycled content.
- 12% of assessed products are certified to have reduced, limited or completely removed hazardous chemicals known to cause adverse health effects with the aim of promoting the use of safer and more environmentally friendly materials.

Top product designations and certifications



27% of our assessed products have CA Section 01350 and CDPH Standard Method V 1.2-2017 certifications



27% of our assessed products currently have UL Greenguard / UL Greenguard Gold / Intertek Clean Air Gold / FloorScore certifications



25% of our assessed products have Health Product Declarations



24% of our assessed products currently have Environmental Product Declarations / Life Cycle Assessments / ISO14025 Certifications



23% of our assessed products claim to be made with Recycled Content. 2% have been 3rd party verified with UL Environmental Claim for Recycled Content certifications

Analysis is as of June 2023



Integrity & Ethics

At GMS, our Board and management team are committed to strong corporate governance that reflects the highest standards of ethics and integrity. We believe that robust corporate governance is the key to ensuring that the Company is managed for the long-term benefit of our shareholders and helps build and maintain public trust.

Ethics & Compliance

At GMS, we believe you can never go wrong doing the right thing. In this, we are guided by our Code of Business Conduct and Ethics (our “Code”). Our Code applies to all officers, employees, suppliers and members of the Board of GMS and our subsidiaries. Our Code is designed to provide a broad overview of our values and policies intended to promote honest and ethical conduct. Conduct that violates the Company’s Values and Code is not tolerated. In the case of an incident, we have established investigation and corrective action procedures to address and remedy a violation of our Code.

We are committed to dealing with our customers, suppliers, employees and competitors fairly and lawfully in order to reinforce our reputation in the marketplace and ultimately be successful. Our SVP, General Counsel and SVP, Chief Human Resources Officer have joint managerial responsibility for our ethics and compliance program with ultimate oversight lying with the Audit Committee of our Board.

We have a relentless focus on operational excellence, and this includes ensuring our business records, reports and disclosures to regulatory authorities and the public are accurate, complete and understandable, for the benefit of both our internal decision makers as well as our shareholders, investors, regulators and others who rely on them.

Compliance Trainings

We provide training on our Code, which is completed annually by all employees. Managers and supervisors and certain other employees also complete anti-discrimination training every year and anti-trust and conflict of interest trainings every two years. In addition, state specific training is provided in compliance with appropriate law.

Ethics Hotline

GMS has established an Ethics Hotline which allows employees, vendors, customers, and other related parties to confidentially report concerns regarding suspected unethical, illegal, or improper activities. We have 24/7/365 anonymous online reporting and adhere to a “No Retaliation” policy, which prohibits retaliation against any individual who reports suspected improper conduct or who participates in an investigation of such reports. We inform employees about the Ethics Hotline and how to use it through annual code of conduct training, company emails, town halls, and posters at our facilities. All complaints are logged in our compliance database where they are tracked until resolved. Complaints are reviewed and assigned to the proper teams for investigation. The Audit Committee of our Board receives regular updates on Ethics Hotline calls.

Human Rights

GMS is committed to fostering an open, respectful workplace, where the ethical treatment of people is essential to maintaining our culture. Our position on human rights applies to GMS and all of our subsidiaries. We fully understand that we have a joint responsibility with our partners throughout the supply chain to work together to support Human Rights.

Our Communities

At GMS, we are committed to supporting the communities where we live and work. We provide support to several charitable and community causes including a recently announced partnership with Habitat for Humanity, as well as the Thillen Education Foundation, Junior Achievement, Toys for Tots, and Hands on Atlanta. Furthermore, charitable contributions and volunteer hours are managed at the subsidiary level with the subsidiaries partnering with local organizations to support their local communities.

Financial Assistance Program

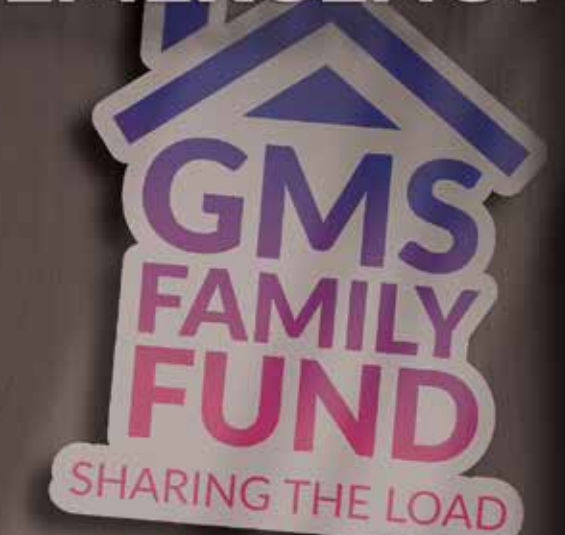
Since our founding in 1971, GMS and its subsidiary companies have always believed in helping employees and their families in times of need. To this point, in September of 2017, the GMS Family Fund was created. GMS Family Fund, Inc. is a non-profit, charitable organization that GMS employees and other parties can donate to in order to support fellow employees in times of need.

The fund is available to any eligible GMS employee who has been affected by an unexpected event that directly affects the employee or an immediate family member, causing financial distress to the employee. Among other situations, the GMS Family Fund has supported families facing home damage related to natural disasters, provided assistance with funeral expenses, and given aid to individuals involved in vehicle accidents. We are proud that the GMS Family Fund has given over \$300,000 to employees in need.

This year, we also entered a national partnership with Habitat for Humanity to build homes for the underserved. We completed our first two builds in Atlanta and Austin with plans to participate in 2 to 3 builds per year. We also participated in an all-female build in March in recognition of Women in Construction Week.



IN CASE OF
EMERGENCY



At GMS, every person is important and as such, we have a responsibility to foster a workplace that values contributions and perspectives from a variety of backgrounds, skills, and experiences regardless of race, color, age, sex, national origin, religion, marital status, sexual orientation, gender identity, gender expression, disability, or veteran status.

Data Privacy & Cyber Security

GMS takes a risk-based approach to implementing cyber security controls and capabilities to protect the data and information of our company, customers, payments, and employees. Using industry standards, and best-in-class technology and partners, our focus on cyber security is an important part of our overall risk management program. The Audit Committee of the GMS Board reviews our cyber security and data protection programs on a quarterly basis and oversees our information technology and cyber security risk management.

Cyber Security

Our cyber security program is managed by our Information Security and Privacy Office, a team of Cyber Security professionals led by our Chief Information Security Officer. The program is aligned with three recognized control frameworks: ISO 27001: 2013, NIST SP 800-53, and the Center for Internet Security (CIS) Top 20 Critical Security Controls. We continuously adjust our strategies based on issues identified by our risk management program. We have invested, and will continue to invest, in protecting, monitoring, alerting and mitigating information security risks across the organization.

In the event of a security issue, our IT Security Incident Response Policy and IT Security Incident Response Plan is used to triage, contain, and mitigate any issues as quickly as feasible. We retain an external Security Operations Center provider, as well as an external Incident Response team to further support our efforts to prevent security incidents and to appropriately respond, if we encounter one.

External and internal resources perform penetration testing and audits in areas such as incident response and cyber security risk on a regular basis. Annually, we have several exercises that test our controls and our ability to respond to incidents, including a comprehensive Red Team attack simulation and a Table Top simulation, where we test our executive team. We also conduct an annual external Cyber Risk Assessment. The results of the exercises are shared with the GMS Audit Committee.

Data protection

The protection of personal data, especially the data that belongs to our employees, customers, and suppliers, is paramount. With oversight by our Chief Information Officer, our Privacy Policy governs how we collect, use, and share information we receive from our customers or website visitors. We maintain both data classification and retention policies to reduce the exposure of unauthorized access of data and comply with regulatory requirements. We have reasonable security procedures in place to protect the loss, confidentiality, integrity, and availability of information under our control, including striving to minimize the customer data collected to limit the potential data exposure risks. In addition, we provide various contact methods to raise concerns about data privacy or request access to personal information to delete or correct personal information. We also perform disaster recovery exercises regularly to validate our ability to recover data and technology in the event of a major security incident or disaster event.

Training and Awareness

We provide security and data protection awareness training to all employees and contractors with systems access, as well as other targeted security training for key departments dealing with sensitive data types. We also perform multiple quarterly phishing simulation exercises to ensure team members are aware and educated about phishing threats and trained to identify and avoid them. 99.9% of GMS employees completed the required Cyber Security Training, which is administered and tracked through our Learning Management System. The training is updated annually and includes both content and end of chapter quizzes to confirm comprehension.



Appendix

Sustainability Accounting Standards Board (“SASB”) Index

The disclosures in this report are informed by the recommendations of the SASB Multiline and Specialty Retailers & Distributors Standard guidelines.

	Accounting Metric	Code	Disclosure
Energy Management in Detail & Distribution	(1) Total energy consumed and (2) percentage grid electricity	CG-MR-130a.1	(1) 463 GWh (2) 6 % See Emissions for more information
Data Security	Description of approach to identifying and addressing data security risks	CG-MR-230a.1	See Cyber Security
	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	CG-MR-230a.2	0
Labor Practices	1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region	CG-MR-310a.1	(1) \$25.38 (2) 100%
	(1) Voluntary and (2) involuntary turnover rate for in-store employees	CG-MR-310a.2	FY23* (1) 18.9% (2) 9.1% FY24 (1) 12.8% (2) 7.0%
	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	CG-MR-310a.3	Any material monetary losses are disclosed in our 10-K and 10-Q reports.
Workforce Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	CG-MR-330a.1	U.S. Executive Senior-Level Officials: Gender: 13.5% Female Racial/Ethnic Minority: 5.4% U.S. Non-executive Managers and Directors: Gender: 15.3% female Racial/Ethnic Minority: 19.7% Total U.S. Workforce: Gender: 12.0% female Racial/Ethnic Minority: 48.6%
	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	CG-MR-330a.2	Any material monetary losses are disclosed in our 10-K and 10-Q reports.
Activity Metrics	Number of: (1) retail locations and (2) distribution centers	CG-MR-000.A	We have over 300 distribution yards, the vast majority of which include a small retail showroom and/or office space. In addition, we have over 100 AMES® retail store locations.

* In the Company's FY23 Corporate Social Responsibility Report, the involuntary and voluntary turnover numbers for FY23 inadvertently included the entire company population rather than the in-store population only.

Task Force on Climate-Related Financial Disclosures (“TCFD”)

Governance

Board Oversight - Our Board has ultimate oversight of ESG matters, including climate-related risks. The Board is responsible for reviewing and providing guidance on the company’s climate-related programs and policies as part of its wider sustainability oversight. Specifically, the Nominating and Corporate Governance Committee oversees our ESG and sustainability efforts and receives quarterly updates, including issues relating to measuring our carbon footprint and our Audit Committee oversees our information technology and cyber security risk management.

Management Oversight - Our Executive Leadership Team (“ELT”), including our CEO, reviews our ESG strategy and is responsible for bringing ESG and sustainability initiatives at the forefront of our business and planning for the future. The ESG Project leaders, in coordination with the ELT, are responsible for overseeing our sustainability-related programs, including establishing our carbon emissions baseline.

Strategy

Climate-related risks and opportunities

We have identified climate-related risks and opportunities that may affect us over the short-, medium-, and long-term, which includes:

- a) **Physical risks:** Adverse weather events, natural disasters or similar events, including as a result of climate change, could generally reduce or delay construction activity and our operations, which could adversely impact our financial condition, results of operations and cash flows.
- b) **Impact on strategy:** Our ELT is committed to considering the potential risks and opportunities climate change may pose to our business. We evaluate the direct and indirect environmental impacts of our business operations, including the supply, manufacturing, use, and disposal of our products.
- c) **Climate resilience:** Our ELT monitors changing regulatory requirements and other impacts to our business. We seek to balance operational efficiency with resilience through a diversified supplier base, where we give preference to environmentally aware, wherever possible and practical.

Risk Management

Our ELT and Board are intent on managing and mitigating various risks to our business and financial performance, including climate change and other environmental risks. Such risk management topics are reviewed and discussed on a regular basis among our leadership team across the entire organization. Consideration of such risks is implemented in all aspects of our business as part of our operating and investment decision-making process.

Metrics

Metrics

We track and report our climate-related performance, including greenhouse gas emissions (Scope 1 and Scope 2) and energy use.

Scope 1 and Scope 2 GHG emissions (FY 2024)

Scope 1: 104,515 metric tons CO₂e

Scope 2: 8,991 metric tons CO₂e

Total Scope 1 and Scope 2: 113,506 metric tons CO₂e



Forward-looking statements

The matters discussed in this Report include forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Statements that do not relate strictly to historical or current facts and use words such as “aim,” “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “project,” “should,” “will be,” “will continue,” “will likely result,” “would” and similar expressions are forward-looking statements. These forward-looking statements may relate to, among other things, our goals and commitments, including those about our sustainability programs and projections, as well as our business outlook, priorities, expectations and intentions. Forward-looking statements are based on current management expectations, projections and assumptions that involve substantial risks and uncertainties, which could cause actual results to differ materially from the results expressed in, or implied by, these forward-looking statements. Readers should carefully consider the risks and uncertainties included, but not limited to, those described in the “Risk Factors” section in our most recent annual report on Form 10-K and as may be updated from time to time in our quarterly reports on Form 10-Q or other subsequent filings with the Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made, and we do not undertake to update any forward-looking statements other than as required by law. As a result, readers are cautioned not to place undue reliance on the forward-looking statements.

Feedback

We welcome your questions and appreciate feedback.

Please contact us at esg@gms.com



GMS Inc. CORPORATE SOCIAL RESPONSIBILITY 2024

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If you have any questions regarding the Sustainability Report, please contact ESG@gms.com