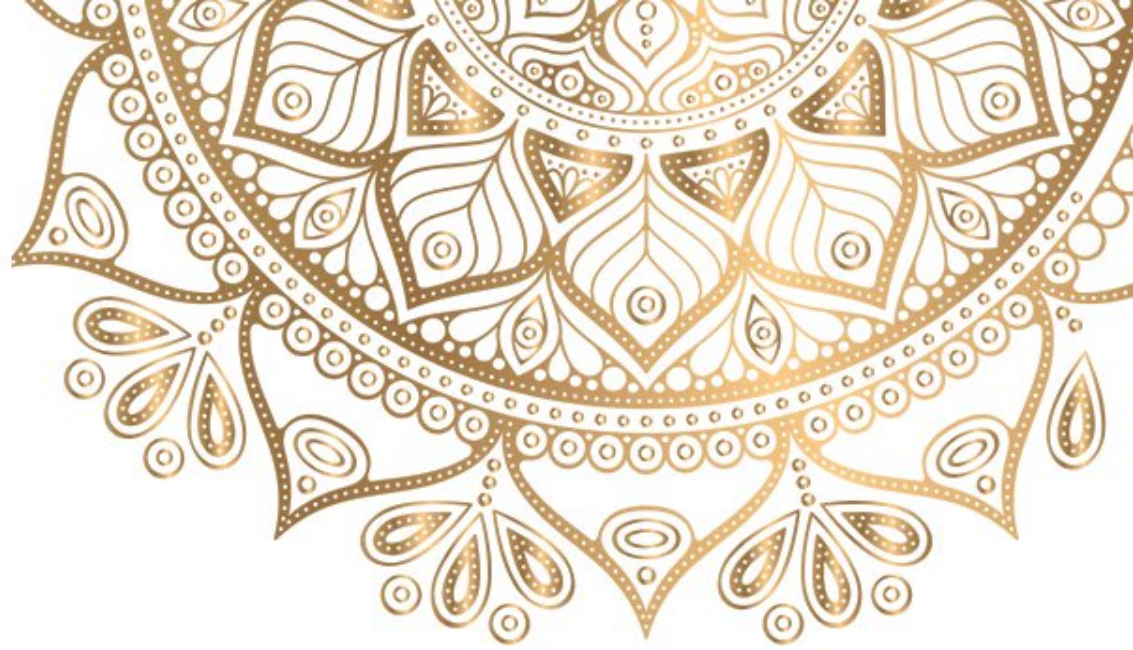


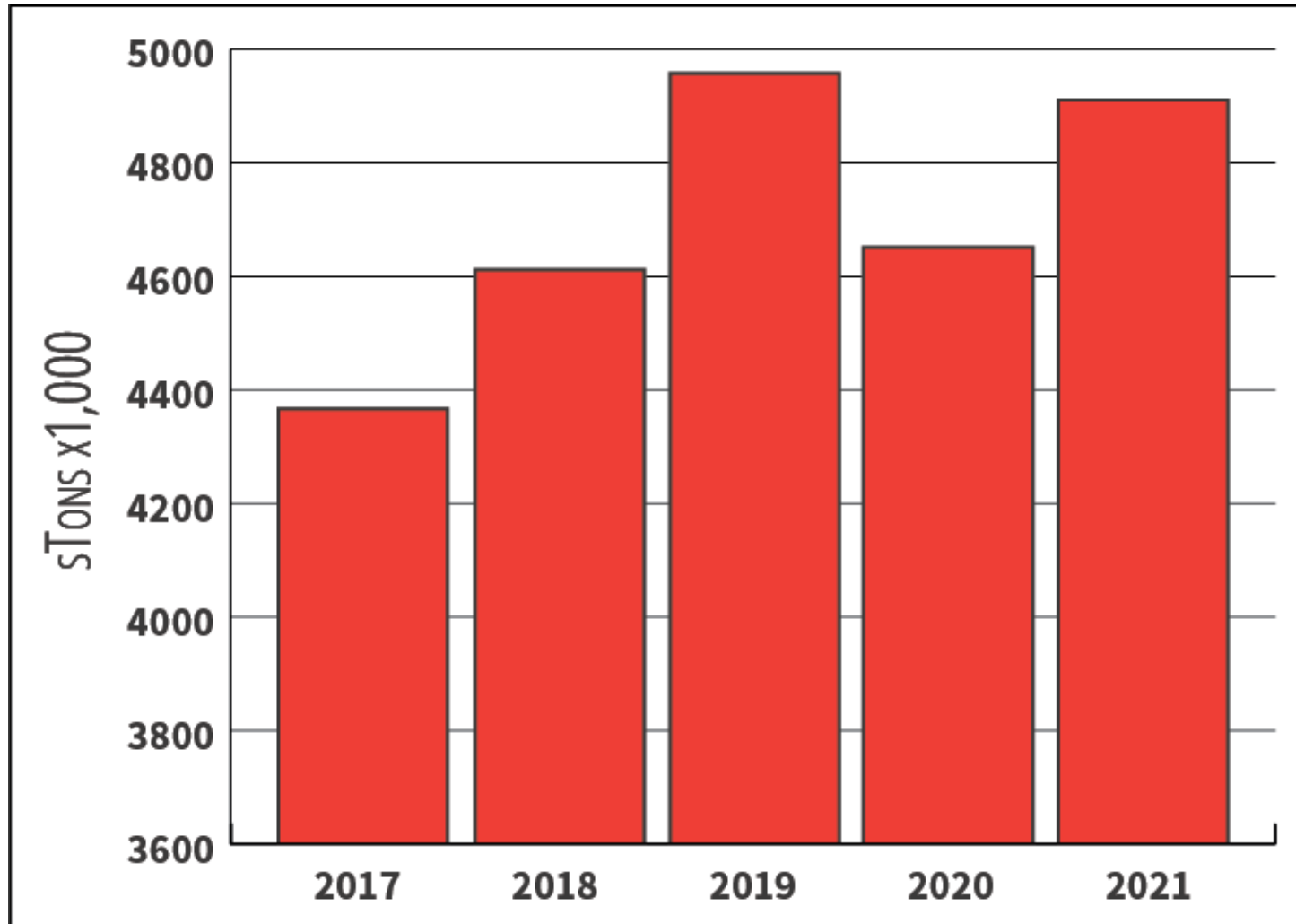
2021 HDG INDUSTRY PERFORMANCE & 2022 CONSTRUCTION OUTLOOK

*John Krzywicki – Marketing Director
Wednesday, April 6, 2021*





2021 HDG PRODUCTION

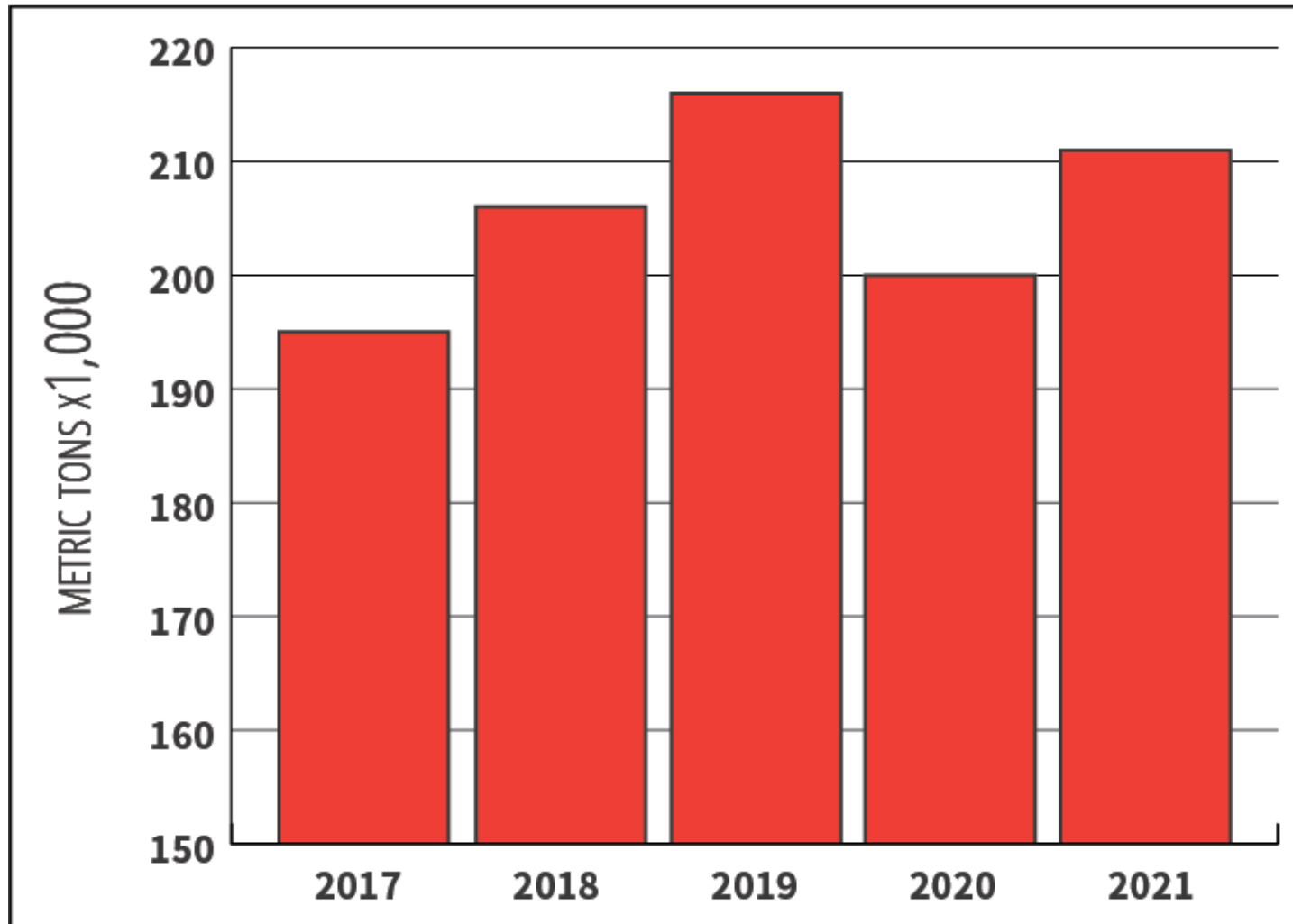


*5.6%
Increase in
HDG
Production*





2021 Zinc Consumption

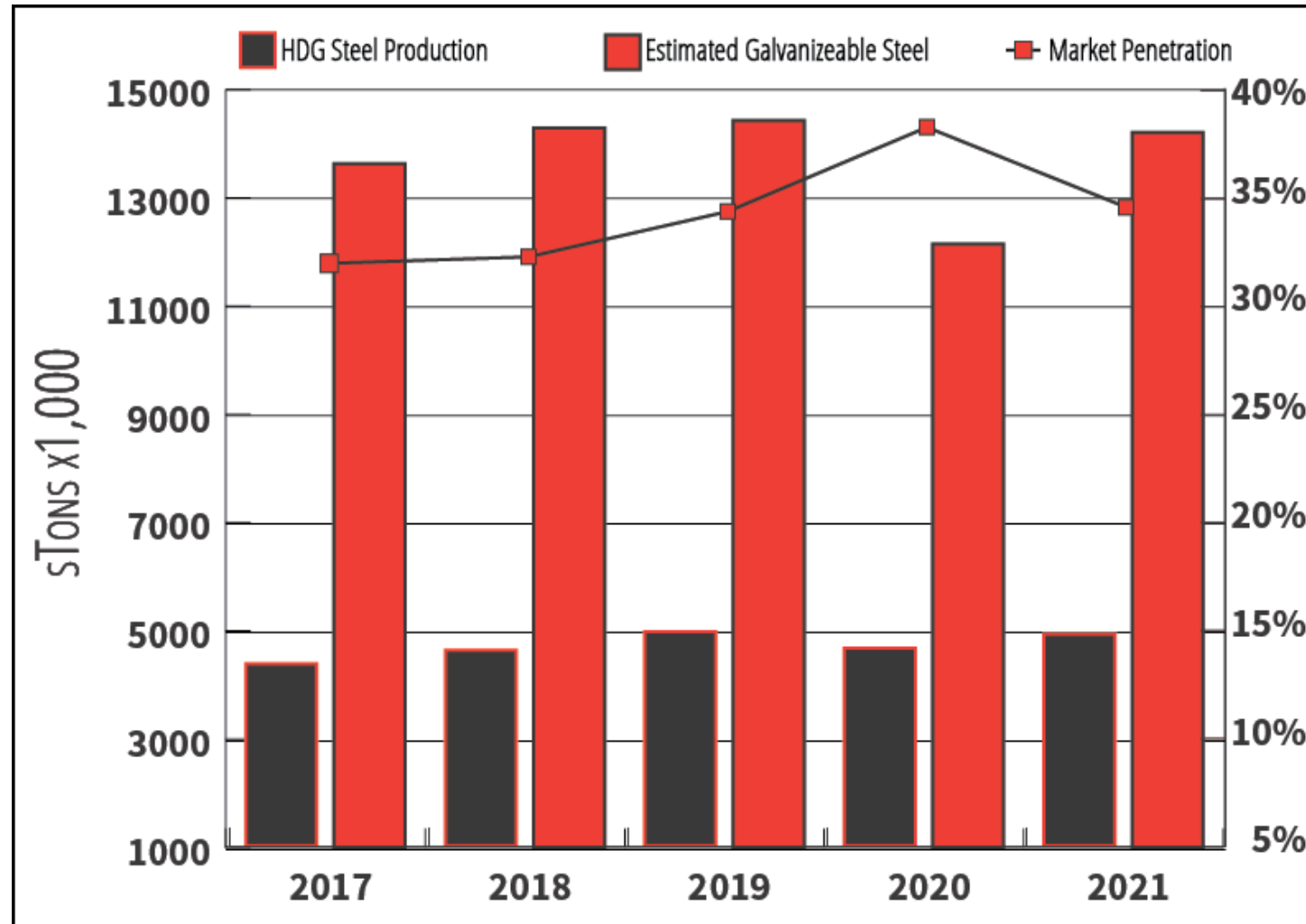


*5.6%
Increase in
Zinc
Consumption*



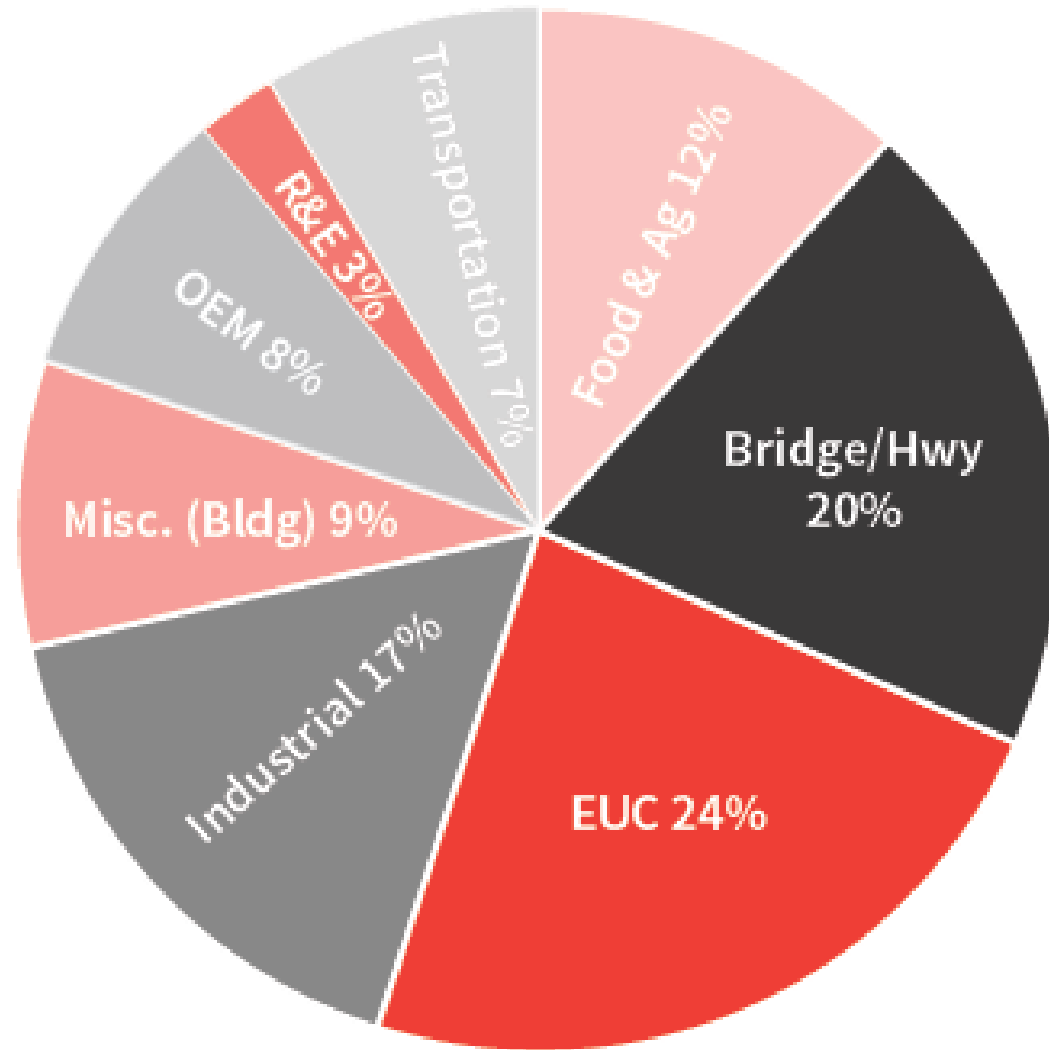


MARKET PENETRATION



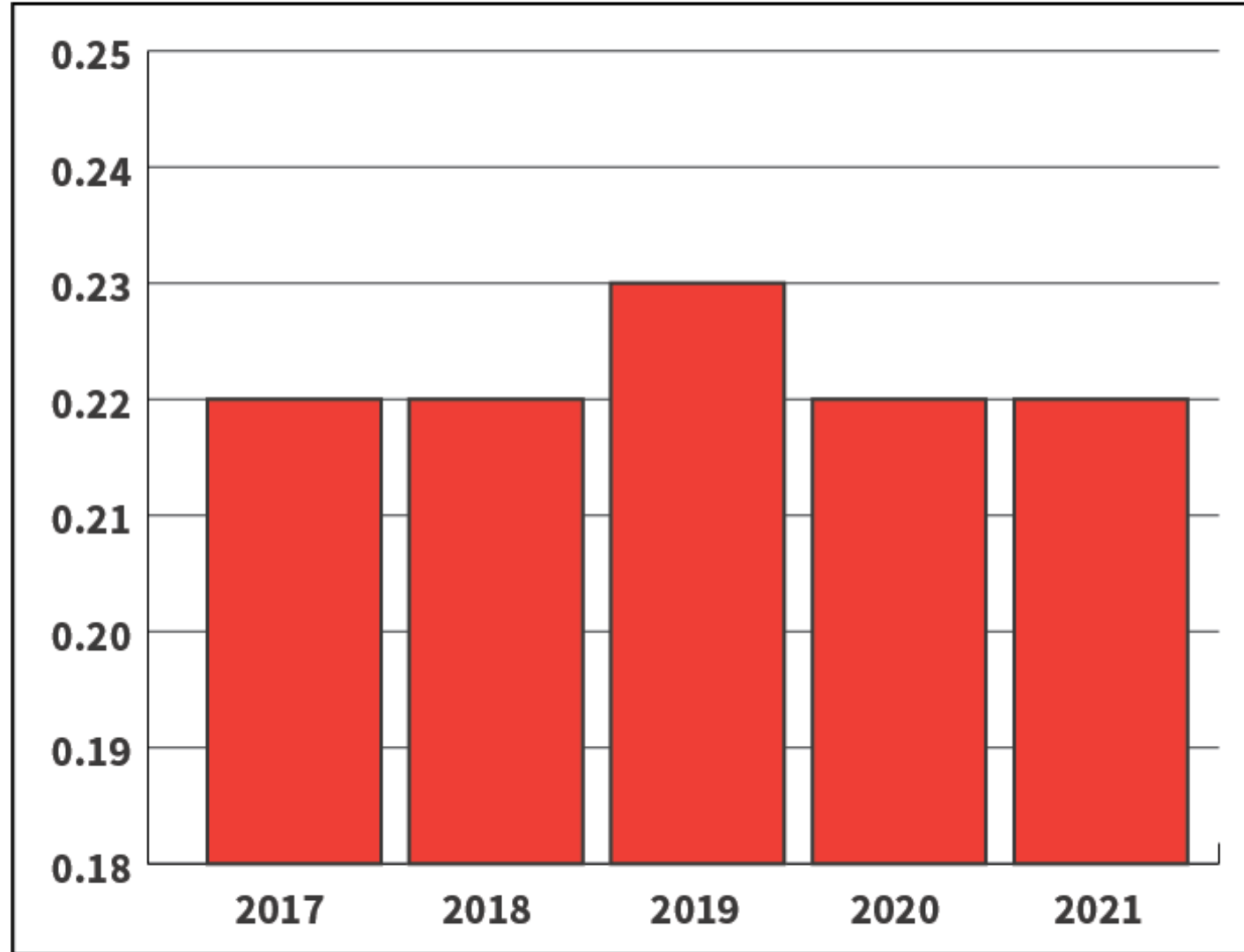


2021 MARKET BREAKDOWN BY SECTOR





Intensity of Use



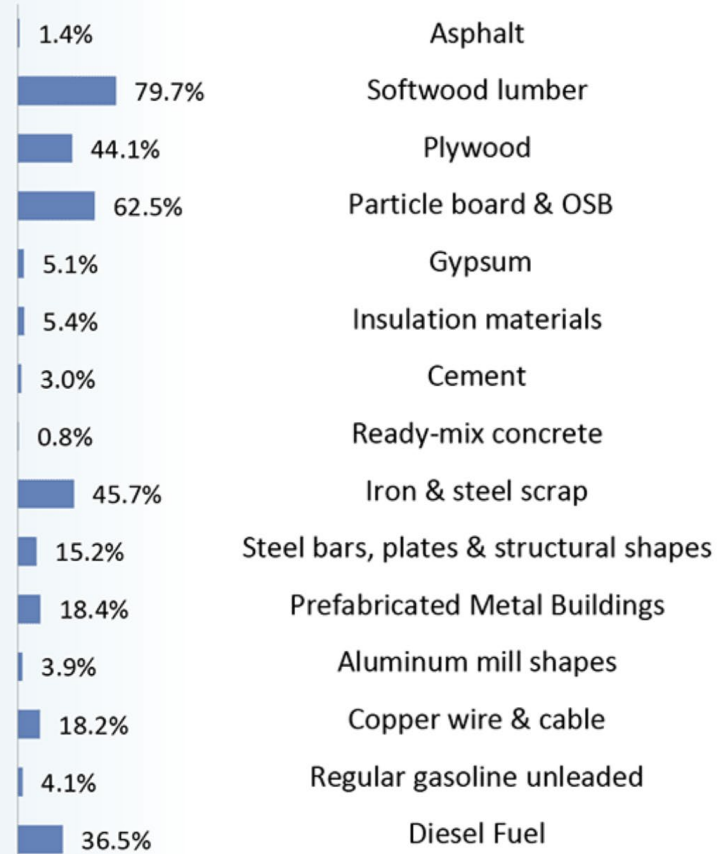
2022 CONSTRUCTION OUTLOOK



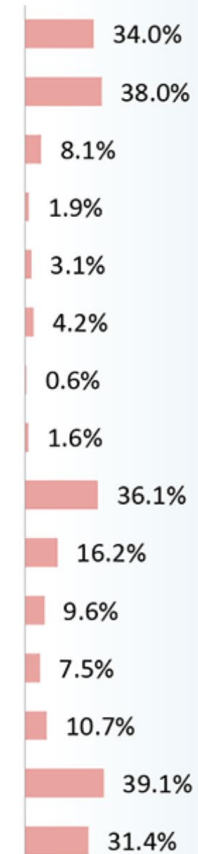


MATERIAL PRICES

Year over Year (Y/Y) % Change



Latest 3 Months % Change



Data source: Bureau of Labor Statistics (BLS).
Charts: ConstructConnect.

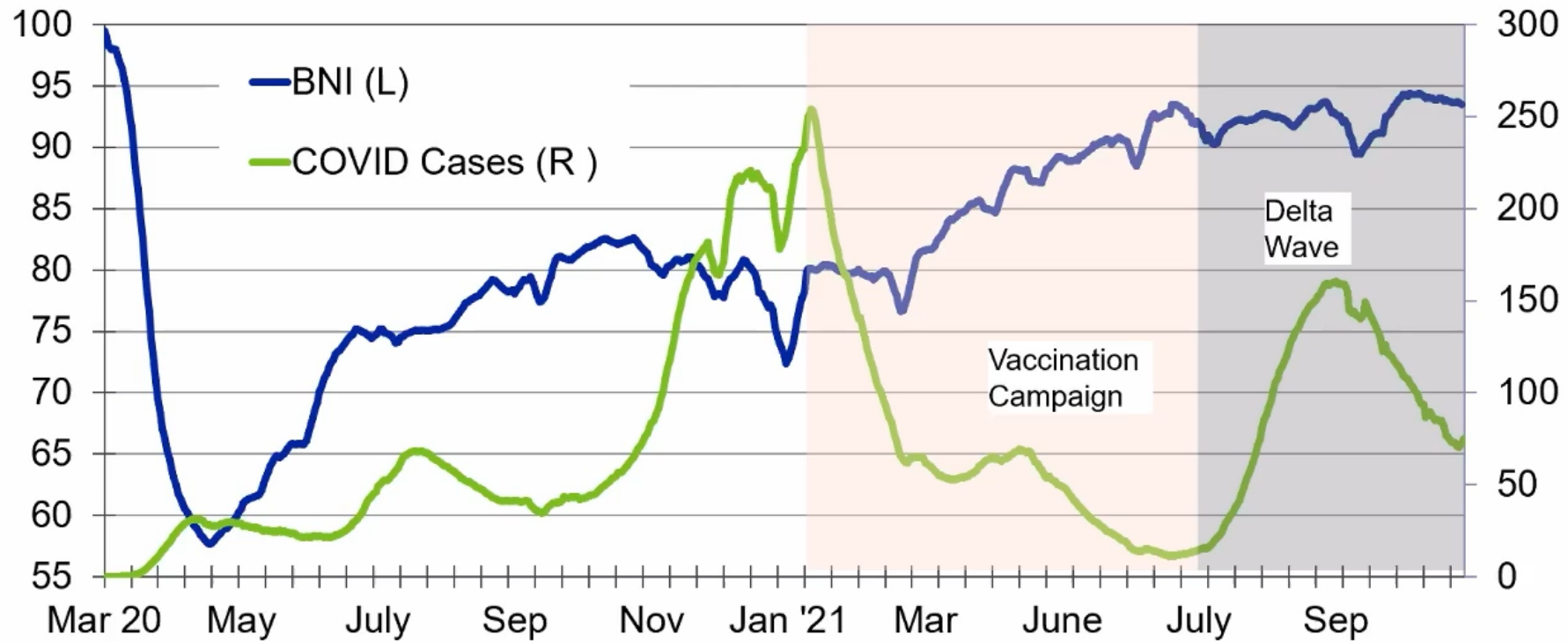




COVID IMPACT

Economic Recovery Stalled With The Delta Wave

Back to Normal Index vs. U.S. COVID cases

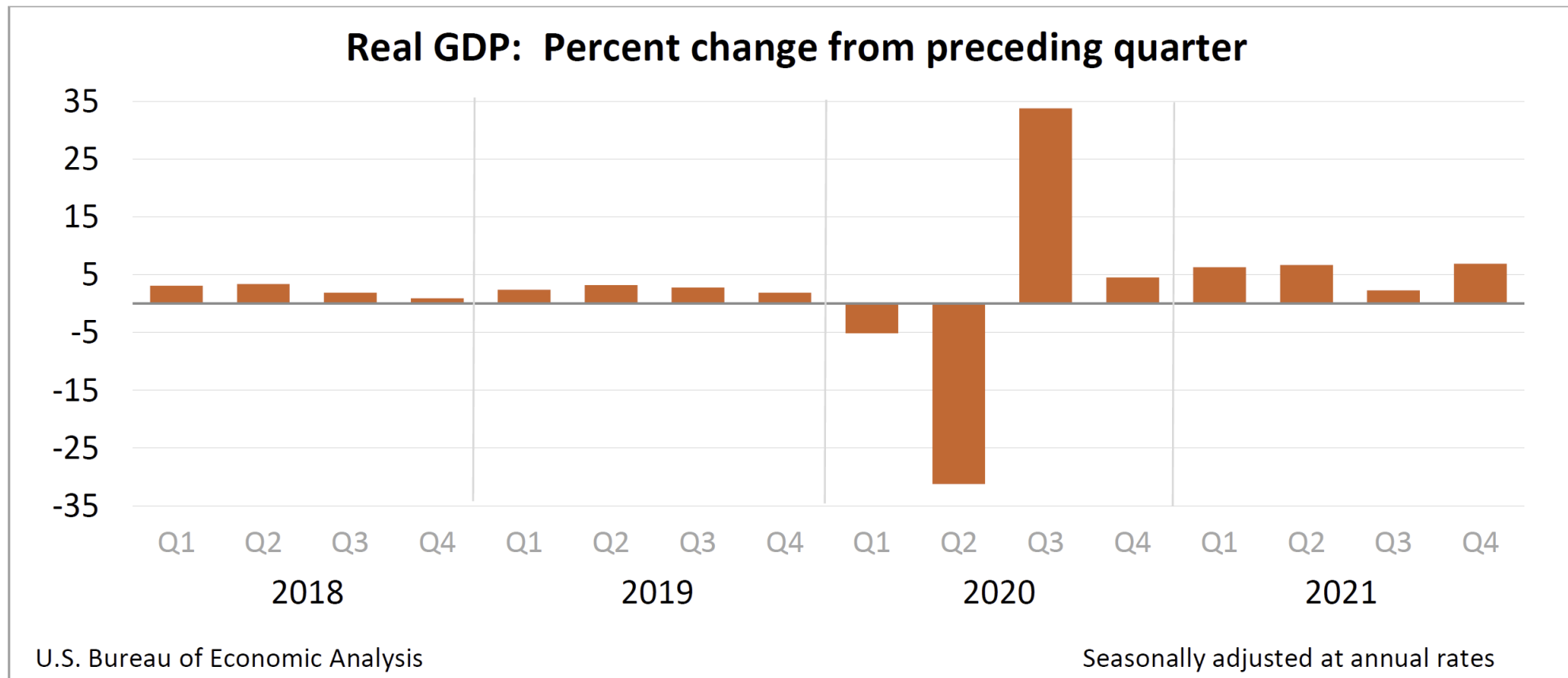


Source: Moody's Analytics





US GROSS DOMESTIC PRODUCT





2022 CONSTRUCTION OUTLOOK

United States

❁ 2021 Estimated

❁ Starts ↑ 12% (Dodge)

❁ Put-in-Place ↑ 8% (FMI)

❁ 2022 Forecast

❁ Starts ↑ 6% (Dodge)

❁ Put-in-Place ↑ 5% (FMI)

Canada

❁ 2021 Estimated

❁ Put-in-Place ↑ 10% (FMI)

❁ 2022 Forecast

❁ Put-in-Place ↑ 1% (FMI)

Challenges: Labor Shortages, Inflation & Supply Chain Issues





U.S. CONSTRUCTION FORECAST

| Sector | 2021 (Starts) | 2022 (Forecast) | 2021 (P-in-P) | 2022 (Forecast) |
|---------------|------------------|--------------------|------------------|--------------------|
| Single-Family | 14% ↑ | 3% ↑ | 22% ↑ | 6% ↑ |
| Multifamily | 16% ↑ | 2% ↑ | 18% ↑ | 7% ↑ |
| Commercial | 15% ↑ | 12% ↑ | 6% ↑ | 5% ↑ |
| Retail | 10% ↑ | 14% ↑ | N/A | N/A |
| Warehouse | 36% ↑ | 13% ↑ | N/A | N/A |
| Data Centers | 17% ↑ | 2% ↑ | N/A | N/A |

Dodge

FM1





U.S. CONSTRUCTION FORECAST

| Sector | 2021 (Starts) | 2022 (Forecast) | 2021 (P-in-P) | 2022 (Forecast) |
|----------------|------------------|--------------------|------------------|--------------------|
| Manufacturing | 46%↑ | 0%↑ | 7%↑ | 12%↑ |
| Transportation | 7%↑ | 5%↑ | -4%↓ | 2%↑ |
| Recreation | 36%↑ | -7%↓ | -7%↓ | 0% |
| Bridges | 1%↑ | 6%↑ | 2%↑ | 7%↑ |
| Roads/Hwys | -2%↓ | 6%↑ | | |
| Power Plants | -3%↓ | 10%↑ | -2%↓ | 6%↑ |

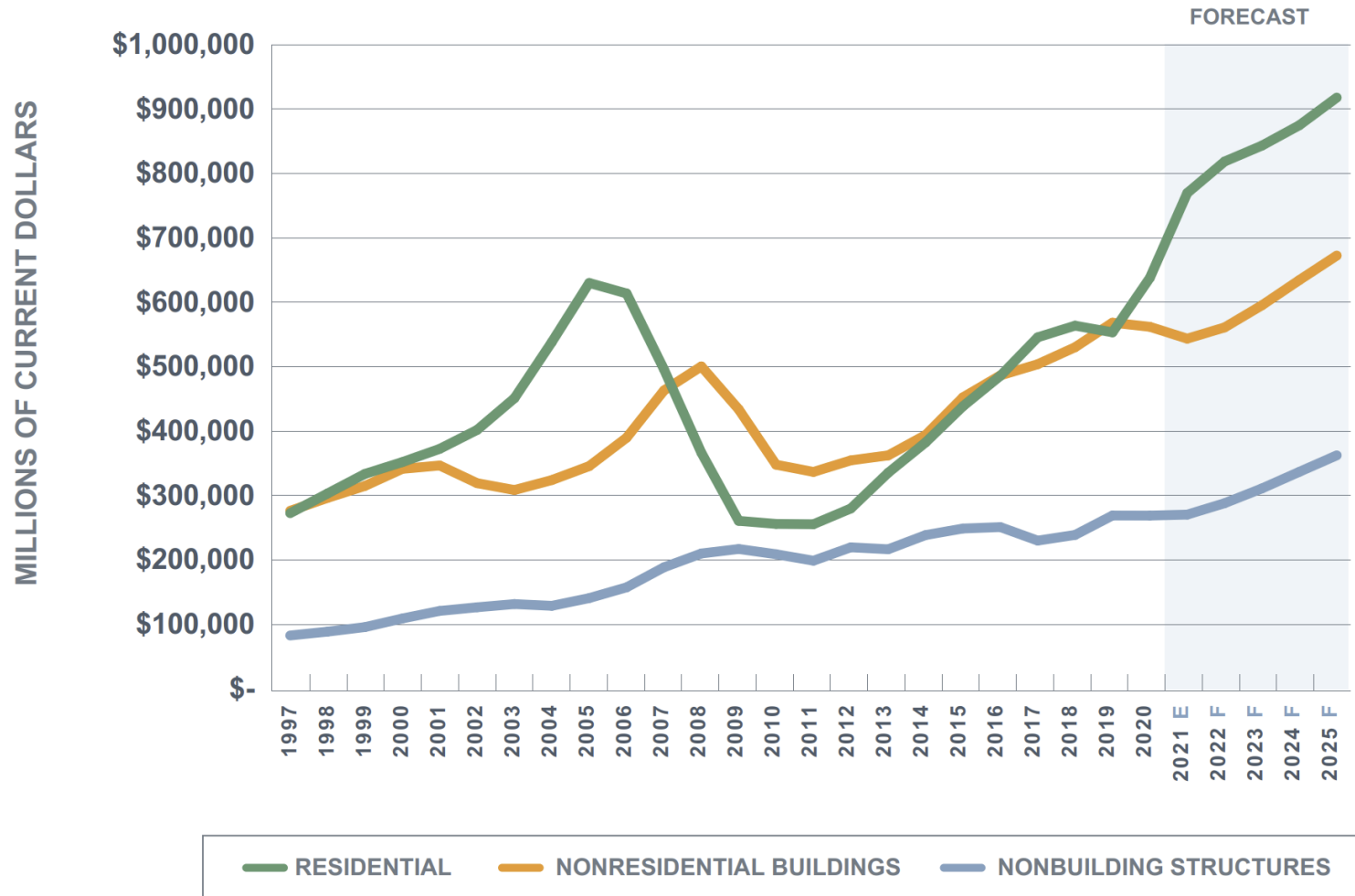
FM1

FM1





U.S. TOTAL CONSTRUCTION SPENDING P-in-P

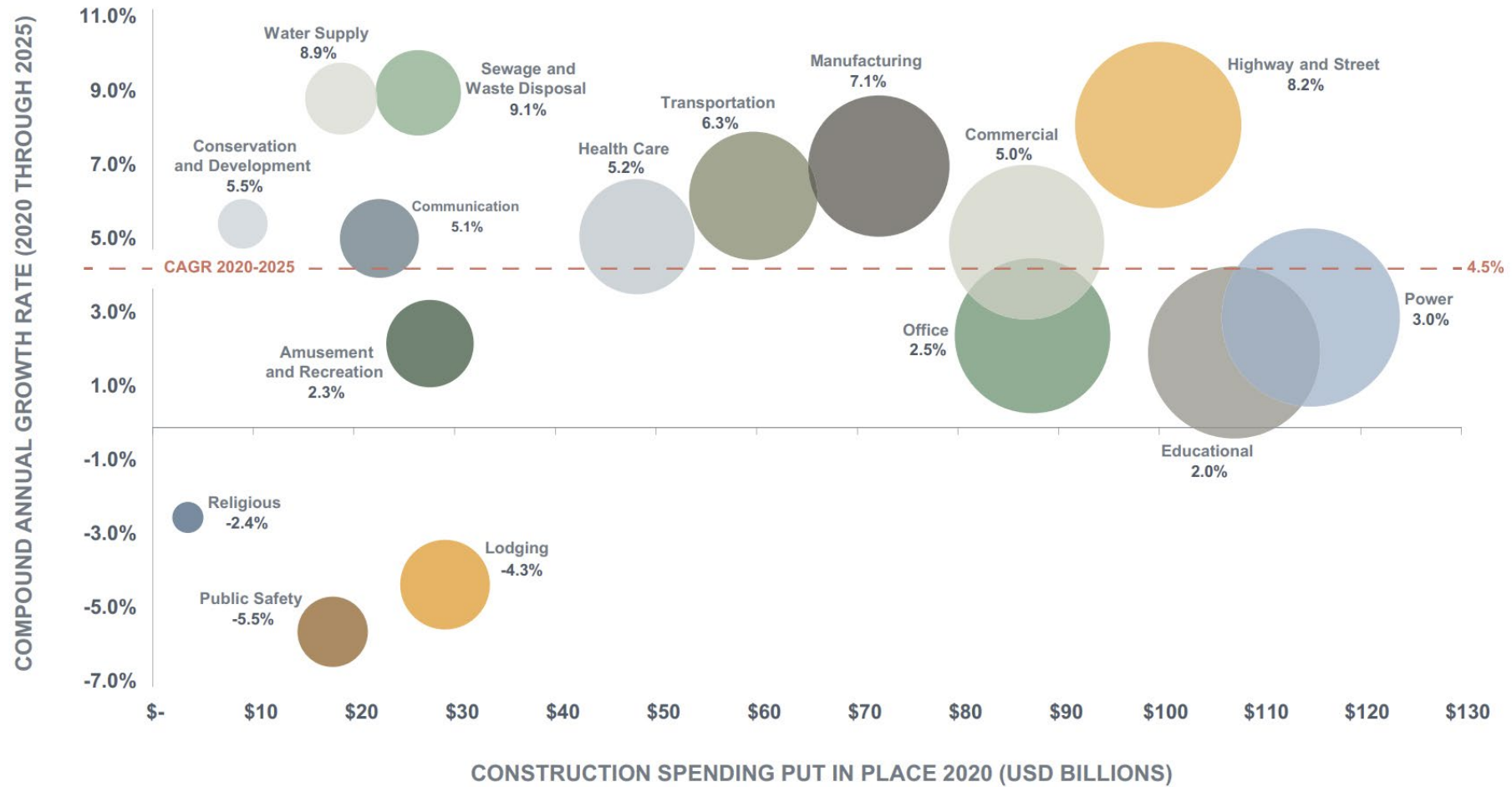


Source: FMI Forecast Q1 2022





U.S. Non-Residential P-in-P Construction



Source: FMI Forecast Q1 2022





US REGIONAL FORECAST

| | NE | MA | ENC | WNC | SA | ESC | WSC | MTN | PAC |
|--------------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Residential | 8% | 5% | 6% | 5% | 9% | 4% | 8% | 8% | 3% |
| Non-Res | 5% | 3% | 7% | 3% | 2% | 7% | 3% | 4% | 0% |
| Non-Bldg | 15% | 7% | 8% | 7% | 7% | 8% | 5% | 7% | 3% |
| Total | 7% | 5% | 7% | 5% | 7% | 6% | 5% | 7% | 2% |

Source: FMI Forecast Q1 2022





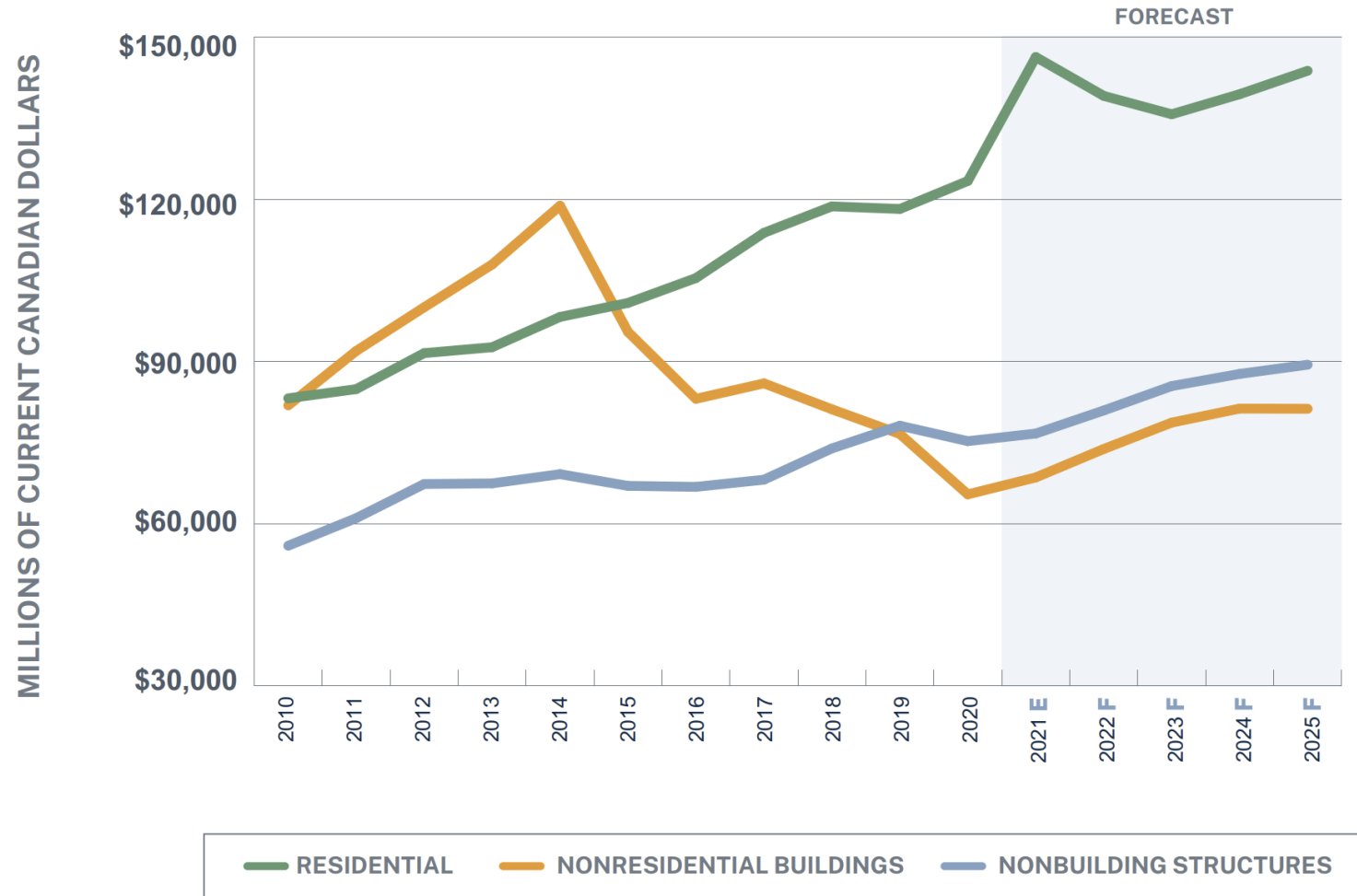
2022 CANADA CONSTRUCTION FORECAST

| Sector | 2021 (P-in-P) | 2022 (Forecast) |
|----------------|------------------|--------------------|
| Single-Family | 31% ↑ | -6% ↓ |
| Multi-Family | 18% ↑ | -2% ↓ |
| Commercial | -6% ↓ | 3% ↑ |
| Manufacturing | 1% ↑ | 6% ↑ |
| Transportation | 15% ↑ | 7% ↑ |
| Recreation | -13% ↓ | -1% ↓ |
| Power | 5% ↑ | 5% ↑ |
| Roads & Hwys | 5% ↑ | 8% ↑ |





CANADA TOTAL CONSTRUCTION SPENDING P-in-P

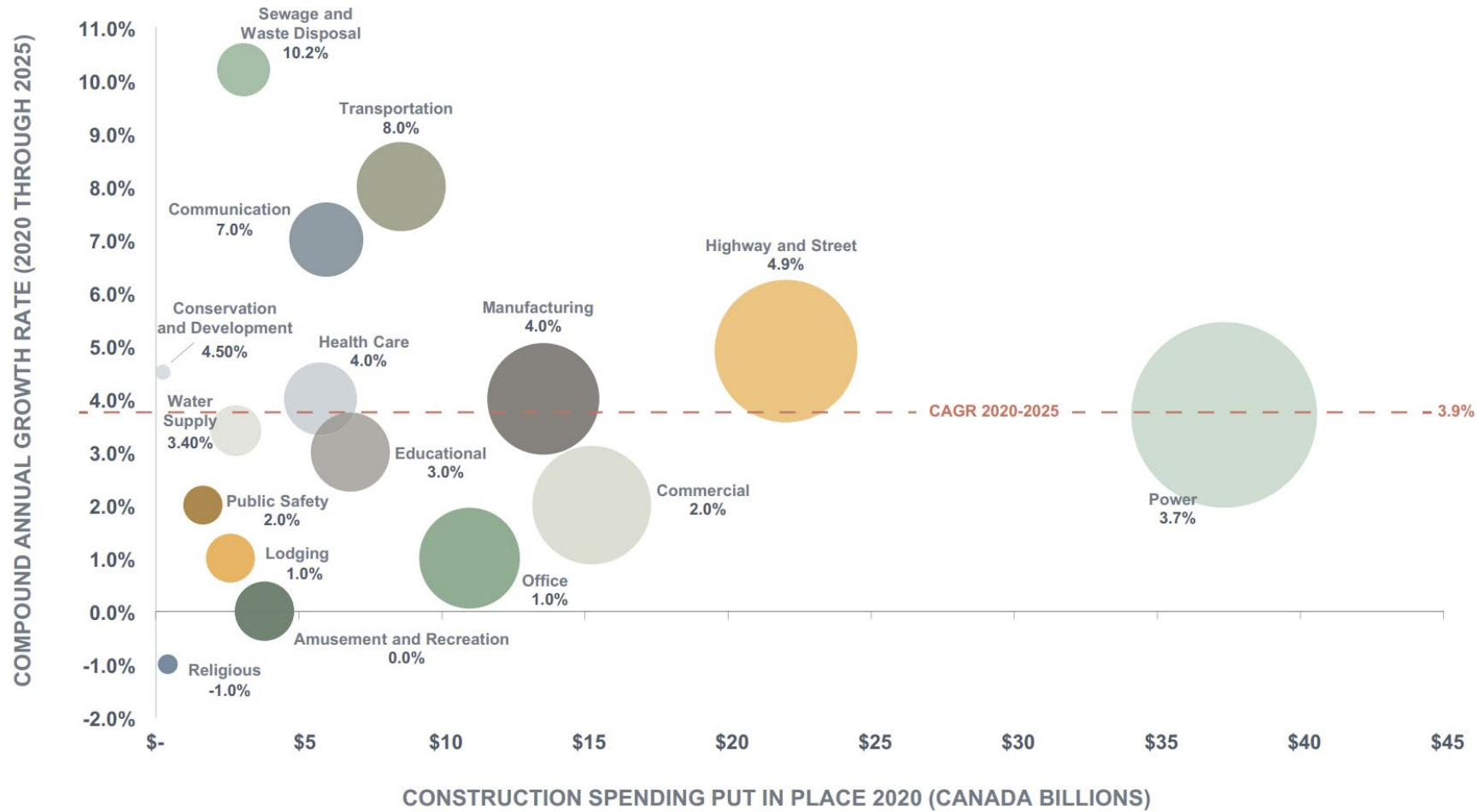


Source: FMI Forecast Q1 2022





CANADA Non-Residential P-in-P Construction



Source: FMI Forecast Q1 2022





CANADA REGIONAL FORECAST

❁ Alberta

❁ Strong Residential /
Infrastructure

❁ 3.4% ↑ in 2022

❁ British Columbia

❁ Devastating Floods

❁ 4.6% ↑ in 2022

❁ Ontario

❁ Negative Interprovincial
Migration

❁ 14% ↑ in 2022

❁ Quebec

❁ Strong Housing Market /
Infrastructure Spending

❁ 16% ↑ in 2022

Source: FMI Forecast Q1 2022





MORE INFORMATION

United States

❁ **Dodge Data Construction
Outlook**

❁ **FMI 2022 Overview**

❁ **AIA Consensus Forecast**

❁ **ARTBA Forecast**

❁ **Industrial Info Resources
Outlook**

Canada

❁ **FMI 2022 Overview**

❁ **On Site Magazine**

