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[Video Presentation]

<<Phil Gibbs, Analyst, KeyBanc Capital Markets, Inc.>>

Good morning. This is Phil Gibbs at KeyBanc Capital Markets. Appreciate everyone being with us today. This morning we've got a presentation from Worthington Industries Incorporated, ticker WOR. We have the CFO Joe Hayek. Worthington is a major metals manufacturing company, headquartered in Columbus, Ohio. Company focuses on value-added Steel Processing and manufacture metal products across North America, and in Europe. It operates through two segments, Steel Processing and Pressure Cylinders. The Steel Processing segment processes flat-rolled steel for a wide variety of customers with a specific focus on automotive. The Pressure Cylinders segment, at this point, is very diverse and the company sells into a variety of markets, including hand torches, well water and expansion tanks, as well as a variety of consumer-related applications. Right now, I'd like to turn it over to Joe. Thanks very much.

<<Joseph B. Hayek, Vice President & Chief Financial Officer>>

Thank you, Phil, and thanks to everybody at KeyBanc for hosting us. And thanks for joining, if you happen to get a chance to watch this live or on video. Today is the first day of our new fiscal year of our fiscal 2022. And so I'm only going to be able to talk about things through our Q3. So timing is what it is, but we're very happy to be with you guys and very appreciative of being included. Quickly Safe Harbor statement, probably pretty familiar with these, but would encourage everybody to take a peek at that. Thank you.

So our vision at Worthington, ultimately, is to be the transformative partner for our customers, a positive force in our communities and to earn exceptional returns for our stakeholders. I promise that's the last slide that I will read. But we want to be not just a supplier. We want to be not just a customer. We want to be a partner. We've been around for 65 years. We've been successful for 65 years. We believe in large part because we take a long-term view and we take a very constructive view with all of our partners. And we are going to continue to do that. Positive force in our communities doesn't just mean that we do community service. It means that we donate. It means that we take part in things and we ultimately, we operate in lots of different communities in North America, in Europe. We have one office now in Asia. We want to be a positive force where we're fortunate enough to be and to have operations. And of course, our number one corporate goal is to increase the value of our shareholders investment. And we also want to increase our returns for our stakeholders, which as we all know are much broader than our shareholders.

So a quick overview, Phil did a very nice job of going through this. And so I would point you to, and we'll get into this in a bit more detail. But last 12 months, sales of $2.8 billion and adjusted EBITDA of $364 million. We are an investment-grade credit. We're very happy with that, and to

a certain extent protective of that. I would point out that our EBITDA, our adjusted EBITDA in the nine months ended February was right around $300 million. And in Q4 last year things, were at kind of the natter from a shipments perspective from COVID, in April and most of May, automotive, which Phil pointed out as one of our biggest markets, was essentially shutdown. And so an analyst estimates for us, for Q4 at least would suggest a reasonable growth from year-over-year on EBITDA basis. So expect that to be a bit higher after we announce our Q4, which will be 3.5 weeks from now.

We talked a little bit about this earlier, but everybody talks about ESG and things, along those lines, we actually refer to this as Corporate Citizenship, and we've been practicing this and really have this for decades. There are a handful of highlights here, but we take great pride and a lot of focus on our safety. The safety of our employees' every single day is our number one concern. It's our number one priority. We're happy with that record, which is 2.5 times better than most, but we're never satisfied. And we're always working to make that an even better number for all the reasons that you might suspect. We recycle everything that we can. We donate wherever we can. And we also are engaged in our communities, reaching out to high school students and others trying to give them a really good experience, but also trying to make sure that we can inspire our employees of tomorrow and our leaders of the coming years by creating opportunities for people where maybe historically, they weren't there.

So you see here a lot of information on our two segments. Steel Processing and on Pressure Cylinders, but really that middle column is, where I'll focus you briefly. Again, we've been around for 66 years and we're a great place to work. That's been noted here in Columbus that has been we've been awarded that award in our facilities in Europe. We also are very proud of our supplier of the year or partner of the year awards that we get from our big customers. And we hope that that is both a reflection of how we're doing and will inspire us to continue to do better as we move forward.

We mentioned this a little bit, but you look at our trailing 12-month net sales, automotive is our largest end market, and when you look at those other markets, you'll see consumer products and you'll see industrial markets. So it's a pretty wide sort of grouping. A lot of the times we're fortunate that our segments complement each other and are correlated in an incredible way relative to how they act in certain economic conditions. And so a perfect example of that was last year during the pandemic, when our steel sales were down because automotive was shut and things were happening the way that they were.

On the other piece of our business, which really is the cylinder piece that I'll talk about more in a couple minutes, demand for those products as people went camping, or went home and grilled at their house, instead of going to restaurants and had parties at their house where they needed some kind of portable helium tanks to blow up balloons, or they took on DIY projects and went to the hardware store and bought tools. Those businesses really took off. And we were fortunate to be able to be profitable on an EBITDA basis in 2020 last year during the pandemic in each month and certainly in the overall quarter. But you'll see this. So it's a pretty good balance the operating income trailing 12-month, it kind of ebbs and flows. Sometimes steel is a smaller percentage that actually in the – during 2021 often times it was, but it ends up being a good balance for us.

I talked about this a little bit Steel Processing, the biggest market there is automotive. I think when you're looking at a trailing 12 months in the next several months, automotive historically has ranged in the low-60s at times, I think you'd probably get back there. But everybody thinks about automotive as being a negative sometimes; it's not. We very much like the automotive market. We would think we're pretty good at understanding the needs of that market. And we operate this business out of 25 facilities in North America, including our JVs and other end markets that you would see our products in ultimately include construction, agriculture, heavy truck, and then a handful of other things. In the last several years, you've seen a lot of growth in solar. We actually have a lot of our coated or galvanized product that goes into the brackets of mounting on solar panels. And that's been a good growth market for us as well.

The next slide really talks about Pressure Cylinders and you'll note that there's a small sliver there from the oil and gas business that we divested at the end of January of this year. But ultimately, Pressure Cylinders has defined as Steel Processing is, Pressure Cylinders is significantly wider. I think Phil alluded to this in his opening comments, but what we do in this business ultimately is we create. We manufacture and sell vessels that enable fuels, typically gases sometimes water, but enables those fuels to be mobile. And so a user can store, house and then transport that gas or that fuel to the location and the application where it is most useful. And that might be in an industrial setting for welding gas. Some of the pictures you see here in the middle of the screen, it might be to braze copper plumbing or engage in a, do it yourself program. It might be as you're camping. It might be as you're having a party.

And so this business for us really has lots of exposure and lots of resonance with three major end markets. The first is building products, lots and lots of products and applications there. Consumer products, there's a handful of these things are on the screen in front of us. And then, we call it sustainable or alternative energy solutions. So those are really the three end markets that we have the most exposure to. And the more that we are operating in these, the more comfortable we get with how those end markets functions and how ultimately, we will be successful.

The third leg of our stool has historically been our joint ventures. We have several on the next slide, talks a bit more about this, but our largest and most successful is WAVE, is a 50% joint venture between ourselves and Armstrong World Industries. The ceiling grid, if you happen to be in an office, hopefully we all will have that opportunity some point soon, happened to be in an office and you look up and you see that grid in the dropdown ceiling, WAVE makes that grid and Armstrong manufacturers and sells the inserts for those acoustical ceilings. WAVE has done a terrific job. It's been around for an awfully long time since early to mid 90s, that's a great JV and what they have ultimately done and where they have talked about and really put their money where their mouth is in terms of innovation is making it very easy for their contractor or customers to install and save time. Installing WAVE grid relative to others which is all by itself, a very important factor in how those guys make their money.

WAVE is not the only JV that we have. We have several others. Some we own a majority of, these are our unconsolidated JVs, and ultimately, these enterprises tend to be run to have EBITDA approximate dividends. And so for us these are great businesses. We like JVs, we've

been successful with them. We view them as sometimes standalone kind of quasi permanent JVs, oftentimes for us they can be a staged acquisition or a staged divestiture, and we're comfortable with those and also recognize that they create a substantial amount of free cash flow for us as well.

I touched on this on at the front of the presentation, but we're in lots of different end markets, but we're also pretty self-aware that our end markets grow reasonably slowly. And we're talking about in a normal environment, it's going to GDP, maybe GDP plus, but not GDP times four or five. Now we aspire to be a growth company. One of our corporate goals is to grow our EBITDA and our EPS every single year. And so we recognize that we can't just do what we've always done and be as successful as we would like to be. And so our growth strategy has three fundamental tenants. I won't read everything on the graphic there to you. But innovation, transformation and acquisition, obviously M&A speaks for itself. Innovation, we'll talk a bit about, that's really bringing new products and new thoughts to markets that haven't seen innovation sometimes for decades. And transformation ultimately is our way of being as excellent as we possibly can and getting better all along the way in terms of how we manufacture, how we source, how we sell, how we manufacture, how we operate our back office functions that's rooted, it have been around here for 15 years or so. It's rooted in the production system, but it's become ours. And we're really happy with it. And we're constantly striving to get better at it.

I'll give you a few examples here of what we're actually talking about. And so transformation, right, trying to think through how we can get better at anything that we're doing, whether it's manufacturing, whether it's supply chain, finance, sales, clearly the most visible examples tend to be on the production floor. And this is an example. I mentioned that a lot of our propane centric products really had petty growth and we needed to be able to produce more to meet the demand, but we were in the middle of a pandemic and people couldn't travel. I'm very proud of and couldn't be happier with our essential workers, who were in the facilities, but we needed an alien set of eyes and some help. And so, again, without reading this to you, this is our plant up in Wisconsin. And we looked at how we could get more cylinders on an everyday basis.

We identified the coil change over times at our presses as the best opportunity to do that through some really good collaboration and work between our corporate teams and the cylinders teams and the team in this facility. And we reduced that by almost 50% and can now manufacture another 500,000 cylinders every single year. It's – this is not kind of all by itself moving the needle for us as a corporate enterprise, but these are the types of things that we do and undertake on a weekly, monthly basis, and we're going to continue doing those things. And ultimately, for us, it's the way that we get better.

So talk a minute or two about innovation. I mentioned innovation as one of the hallmarks of our growth strategy. These are three, and there's a handful more on the next page. These are three products that are new to the market over the last year. Fuel Gauge, if you want to understand how much gas is left in your one pound Coleman or Bernzomatic, or otherwise you're kind of outside cylinders, you can do that with these products. That's a consumer centric product, the comfort area over there on the right, it's a pretty simple change, but it's massively impactful because it's easier to pickup. It's easier to carry. It's more ergonomically friendly. Again, these

are things that all by themselves aren't going to create billions of dollars of revenue for us, but it's just the types of things that we're after. Now on a daily basis, we have 25 or so people in the company that are focused exclusively on innovation. And these are the types of things that they're working on every day.

Smartlid in the middle there, we call it an integrated monitoring solution, is very large propane tanks that are out there. They could be for propane or for something else, but they're – you see them outside of industrial buildings, you see them potentially in rural areas outside of people's homes for heating. They've always been there and then they have to get filled. They have to get filled by a distributor of fuel of propane typically. And so those guys need to do a truck run and get out there and fill. But they never had a real easy way of knowing whether a fill was needed. And what SmartLid does, as it communicates as appropriate and can save those distributors who are ultimately our customers from needing to send a truck somewhere, if they don't need to, or when they can prioritize their routes. It just makes things smarter. It's all about the Internet of Things. And this is a technology that's proprietary for us. And we're very happy with the uptake of this solution and think that there are more applications.

A handful more, Clean Cannabis, the cannabis cylinders in the cannabis markets that's kind of growth is pretty well known. There were customers that were buying cylinders from us and we didn't understand exactly why they were buying or what they were using it for. And so we reached out and talked to them and it turns out that they were doing extraction of CBD and other oils from THC, whatever it was from the plant and needed a really medical grade almost way of doing that. And so we created a stainless steel cylinder weighs 100 pounds and ultimately kind of fit the bill for them.

Based on several conversations with our customer and potential customers, and so voice of the customer has become really important for us as we think about innovation, just because we don't want to sit there and think of things that people want. We want to hear from people and partner with customers and base our decisions and our innovation strategies around what we think customers really are looking for and where holes in the market might be. Same thing with these other two, 25% more on the gas side that is a European product as is the Fourtis Type IV, you'll see that again, very light, easy to carry, ergonomically friendly and really an important product for us in the European market.

Our innovation isn't limited just to Worthington proper. WAVE has partnered with a company and kind of in the middle of that picture there, you can see what VidaShield is ultimately is, it takes the place of a fluorescent light in an office building or somewhere else. And instead of being a light in the same footprint, there is an intake of air, the air it gets then goes into this product, it gets vented and pumped through a vacuum sealed chamber with UV lights, sanitizing the air, killing viruses and bacteria, et cetera and then pumped out the other side. WAVE being as ubiquitous is as it is with grid, very easy for them to think about selling this product as well, it's early days. But the early returns for this idea and this product are very, very good. And again, it's just another example of how we are trying to bring innovation to these markets that haven't historically seen them.

Let's talk about M&A. And so we have done a lot and I think on a slide or two, we'll talk about that, in terms of pruning our portfolio. But in late January, we also made an acquisition for $115 million of General Tools, we call it GTI. We have, as you see there on the left, lots of tools or smaller footprint sizes of things that you might buy at a big store, you might find it at Walmart or Home Depot or Lowe's or at a specialty store. And General Tools is a great fit for us because it's a specialty tool company and they do a lot of the same types of things from a merchandising perspective. It was also I'll call it an asset-lighter deal than historically has been true for us. And so what we got with this acquisition was a fantastic management team. It was a great group of products, but also real supply chain expertise. These products at GTI are manufactured in Asia and are brought to North America where they're ultimately sold. And so for us, that supply chain expertise is something that we're counting on and planning to leverage as we go forward. And so I would expect to see more thoughts like this and strategic developments for us like this over the next several years, because it is an area that we think holds a lot of promise for us.

And we talked about this a little bit, but we have been over the last couple of years and a lot of this is sort of the last – sort of the six months or so. But the last couple of years, we really have divested and pruned our portfolio, going all the way back to the Engineered Cabs business to the business that we had in Turkey. We consolidated our facilities in Portugal but then over the last several months, we divested our oil and gas business, we divested our CryoScience business down in Alabama and we divested our Structural Composites or SCI business. We did two acquisitions, the PTEC acquisition that's here and obviously, GTI that I just talked about. But we've also, and I think we've chatted about this with most people and it's certainly been on our filings for quite a while, but we've monetized the entirety of our investment in Nikola.

Ultimately, our pretax proceeds were about $635 million. We also donated $20 million to a foundation to setup a charitable endowment. Our average price of selling price for those shares was between $34 and $35. But we've used those proceeds ultimately, to really strengthen our balance sheet and give us lots of options from a capital allocation perspective. But the main point of this slide to us is that we knew that we had some real growth plans and to get to where we needed to be, we probably needed to get a little smaller to get better, and we have largely done that. In fact, this past weekend, we divested a part of our business over in Poland for roughly €5 million. Again, really to focus on what we think are going to be the growth areas for us for the next five to 10 years, and ultimately where we're sitting, we're going to be able to focus much more on growth, much more on M&A that will propel us forward. And we're really excited about it.

We've talked about this in terms of our financial goals. The one thing I will point out and we'll talk about it in a couple of slides is, we're also focused on reducing the assets that we require to grow our cash flows. Go ahead Marcus, I'm sorry. So capital allocation strategy, what you'll see here, this is a familiar slide for us. It's going to vary on an annual basis, but over time we have always followed a balanced capital allocation strategy. And so you can see share repurchases and acquisitions are right around the same and CapEx naturally is going to be larger than dividends. But we like to take the approach of growing the business, but also returning capital to our shareholders.

And so our consolidated results and this will kind of make the point that I was trying to refer to the couple slides ago. If you look at our average invested capital from fiscal 2019 to nine months ended fiscal 2021, it's down $100 million. And then you look at our EBITDA percentages. Now we understand that there's a cyclical element to our business, and everybody knows that steel prices are way up, et cetera. We're trying to reduce the cyclicality of our business over time, through the things that I mentioned, which are M&A, which are innovation and the fact that we're transforming our business every single day. And so by reducing our assets and increasing our cash flows relatively speaking we think we can generate a lot of shareholder value over the next five years, and we're ultimately positioning ourselves to be successful for the next 20 while we honor our legacy of the last 66.

I think that is it for our formal remarks. Phil, any follow-up from you or anything?

<<Phil Gibbs, Analyst, KeyBanc Capital Markets, Inc.>>

Thanks, Joe. Can you give us an idea about some of the businesses that you may be going after from an M&A standpoint? You said that's a big pillar to your story, where might we see you go in terms of targets that could fit into your strategy?

<<Joseph B. Hayek, Vice President & Chief Financial Officer>>

Sure. That's a great question. I think on the Steel Processing side of the house, it's going to be value-added niches. We liked the concept of lightweighting. We're doing more of that all the time. We like value-add. And so if there are places out there that are just doing run-of-the-mill, slitting or cut the length and things like that, those tend to be less interesting to us than folks who are adding real value or who are focused on a lot of the things that are happening out there, whether it's electrification, whether it's lightweighting, things along those lines.

And then on the legacy cylinder side, I would say the consumer product space continues to be very interesting to us. The building product space continues to be very interesting to us, and the alternative energy solutions or sustainable energy solutions space. For us, we really see the growth there in hydrogen and in CNG, the divestiture we just made over the weekend was an LPG. I won't call it's a good business, but it's not really where we think that the growth is going to be for us longer term. And so that business is a European and Asian play for us over the next several years. But I think there's a lot going on there. And so I could see us investing in that space.

<<Phil Gibbs, Analyst, KeyBanc Capital Markets, Inc.>>

Thanks, Joe. And in terms of the multiples that you're seeing the targets, obviously, we've had an interesting environment the last 12 to 18 months with people getting kind of flushed out of profits. Now profits are back to really strong levels. I mean, what's the conversations like between these guys and the ones you're looking at right now in terms of the multiples and are we back to the tough period that we were a couple of years ago where everything was just too expensive?

<<Joseph B. Hayek, Vice President & Chief Financial Officer>>

It's a very fair question. M&A multiples are very fair, I think, relatively speaking and historically speaking, the challenge, I think that everybody faces is what happened over the last year. Some companies had a big bump. Some folks had a real bump in the road so to speak. And so how do you sort through where the right sustainable run rate for that business is, and then what kind of multiple do you get there? And the advantage that we have and we're not ever going to shy away from paying for what we perceive to be real value.

But sometimes, you'll see us more active on an M&A, and sometimes you'll see us a bit more active with share buybacks. And ultimately, that is a trade-off that we can make, if M&A becomes in our mind too expensive. We always have the option of buying our own shares at what we know is a certain level of an EBITDA multiple or whatever it is. But I would ultimately see us thinking about M&A as a real growth platform for us. Focusing on value-added niches with potentially fewer – less asset intensity relative to cash flows, but we're always going to be disciplined. And we're not going to go out and just because we have some cash on our balance sheet do things that we don't think makes sense for us or for our shareholders.

<<Phil Gibbs, Analyst, KeyBanc Capital Markets, Inc.>>

Joe, obviously, you said steel prices are high historically, so which we can all see right now, but where else in the business are you all seeing pressure points in terms of either real bottlenecks and/or potential inflation squeeze in the business. I mean, where – what are you seeing right now? Because I know you touch a lot of end markets and you obviously have a lot of manufacturing operations and not only here, but in other places. So what can you say there?

<<Joseph B. Hayek, Vice President & Chief Financial Officer>>

Yes. I mean, it will be a more general comment, but we see inflation almost everywhere. I mean, there's certainly inflation in raw materials. That's very well-documented. Our teams and our kind of folks in our facilities all over the world really are doing a terrific job trying to manage through that. The semiconductor and supply chain shortages are also well-documented. But there is inflation in all of the areas that we operate in and all of the things that we think about prices are just higher and we'll see how transitory that ultimately is, but you'll, I mean, you notice it when you – we noticed that as consumers as when we go places or when we try and buy things. And so, we definitely are seeing higher prices and we have to pass those along obviously to people. And that's how we get inflation, ultimately not to get off script, but we're definitely seeing it.

<<Phil Gibbs, Analyst, KeyBanc Capital Markets, Inc.>>

And then Joe, can you remind or inform folks, how you typically manage your business and then the way you price when raw materials flex up and down, steel is pretty straightforward. I know it's a spread business, so you're trying to pass along a margin on top of steel prices, but what about cylinders and some of your JVs?

<<Joseph B. Hayek, Vice President & Chief Financial Officer>>

It's pretty consistent. We try to never take raw material price risk. And so we are hedged physical, financial or other when we sell something, we've also bought it for the same time period. But we ultimately have different contracts with different folks, both on the supply side and on our customer side. And so we manage through those to try and create options for our customers and ultimately opportunities for ourselves to lock-in business and do things that other people can't. And so it varies differently, but we try very hard to be hedged. And so that in an environment like this, as you know, Phil and as others know, typically we talked about this on our two, three conference calls, as steel prices are rising, we're going to have some inventory holding gains and when fuel prices were falling we're going to have some inventory holding losses. And so absent those things, which ultimately we try and manage, but we don't control the price of steel, and saying and we're a frightful company, but other than that, we try very hard to focus on providing great customer service and great materials to our customers, being good partners and trying to take the noise if you will out of it as much as we can in terms of pricing.

<<Phil Gibbs, Analyst, KeyBanc Capital Markets, Inc.>>

Thanks, Joe. That's all I have. Appreciate it.

<<Joseph B. Hayek, Vice President & Chief Financial Officer>>

Okay. Well, Phil, everybody at KeyBanc, thank you again, look forward to seeing everybody at one of these events in the very near future. Hope everybody had a wonderful holiday, weekend and a great Memorial Day and have a great week. Thank you very much.