



INVESTOR DAY

SEPTEMBER 7, 2023
NYSE:TREX

Trex[®]



AT TREX, EVEN OUR
PRESENTATION DECKS SAVE TREES.

Scan for our paperless investor presentation.



SAFE HARBOR / NON-GAAP MEASURES

This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements are subject to risks and uncertainties that could cause the Company’s actual operating results to differ materially from those contemplated by the forward-looking statements. For further information on risk factors affecting the Company’s business, please refer to our most recent annual and quarterly reports filed with the U.S. Securities and Exchange Commission. It is routine for the Company’s internal projections and expectations to change as the year or years progress, and therefore it should be clearly understood that the internal projections, beliefs and assumptions upon which the Company based its financial targets disclosed in this presentation may change prior to the end of the period included in the guidance provided. The Company expressly disclaims any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. The financial target information provided in this presentation includes the forward-looking non-GAAP financial measures of earnings before interest, taxes, depreciation and amortization (EBITDA) and EBITDA as a percentage of net sales (EBITDA margin), which management uses in measuring performance. The Company believes non-GAAP EBITDA and EBITDA margin provide useful information to investors and others in understanding and evaluating its results of operations, as well as provides a useful measure for period-to-period comparisons of the Company’s business performance. The Company calculates forward-looking non-GAAP EBITDA and EBITDA margin based on internal forecasts that omit certain amounts that would be included in forward-looking GAAP net income (loss). The Company is not able to provide a reconciliation of forward-looking non-GAAP EBITDA and EBITDA margin guidance to forward-looking GAAP net income (loss) because forecasting the exact timing or impact of items, including without limitation, the impact of macroeconomic, industry and operational changes through 2028, that have not yet occurred and are out of its control is inherently uncertain and unavailable without unreasonable efforts. Further, the Company believes that such reconciliations would imply a degree of precision and certainty that could be confusing to investors and could have a substantial impact on GAAP measures of financial performance.

INVESTOR DAY

Company Overview

OPERATIONS

WINCHESTER, VA

- Decking/Railing
- Plastic Processing
- Railing Distribution

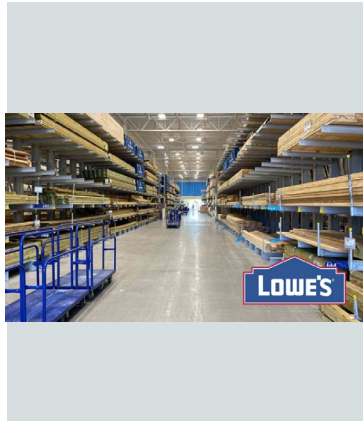
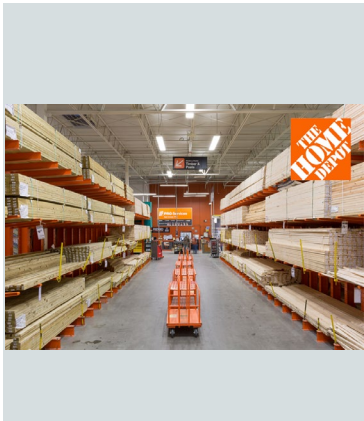
FERNLEY, NV

- Decking/Fencing
- Plastic Processing
- Railing Distribution

LITTLE ROCK, AR (2025-2026)

- Decking/Railing (2026)
- Plastic Processing (2025)
- Railing Distribution (2026+)

MAJOR RETAILERS



PRO LUMBER YARDS



DISTRIBUTION LOCATIONS



Leading global manufacturer of outdoor living products with a powerful brand and commitment to innovation

Most widely distributed throughout North America and the world

~50% share within the composite industry

Longest and strongest relationships with pro channel and DIY retailers

Significant addressable market – Decking, Railing and Other products

Repair and Remodel ~ 90%+, New Construction ~5%+

Leading opportunity for ESG investors with 95% content of recycled and reclaimed materials

SEEING MORE TALENT

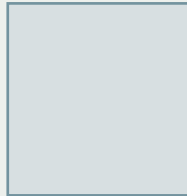
Over 1,600 Talented and Dedicated Trex Team Members Drive Value for Our Shareholders



Bryan Fairbanks
President and CEO
19 Years



Adam Zambanini
President, Residential
18 Years



Open
VP, Chief Financial Officer



Amy Fernandez
VP, General Counsel and
Secretary
2 Years



Jay Rudolph
VP, Human Resources
17 Years



Leslie Adkins
VP, Marketing & ESG
Development
15 Years



Barry Creek
VP, Operations
4 Years



Frank De Iuliis
VP, Retail & International
Sales
16 Years



Zach Lauer
VP, Supply Chain
7 Years



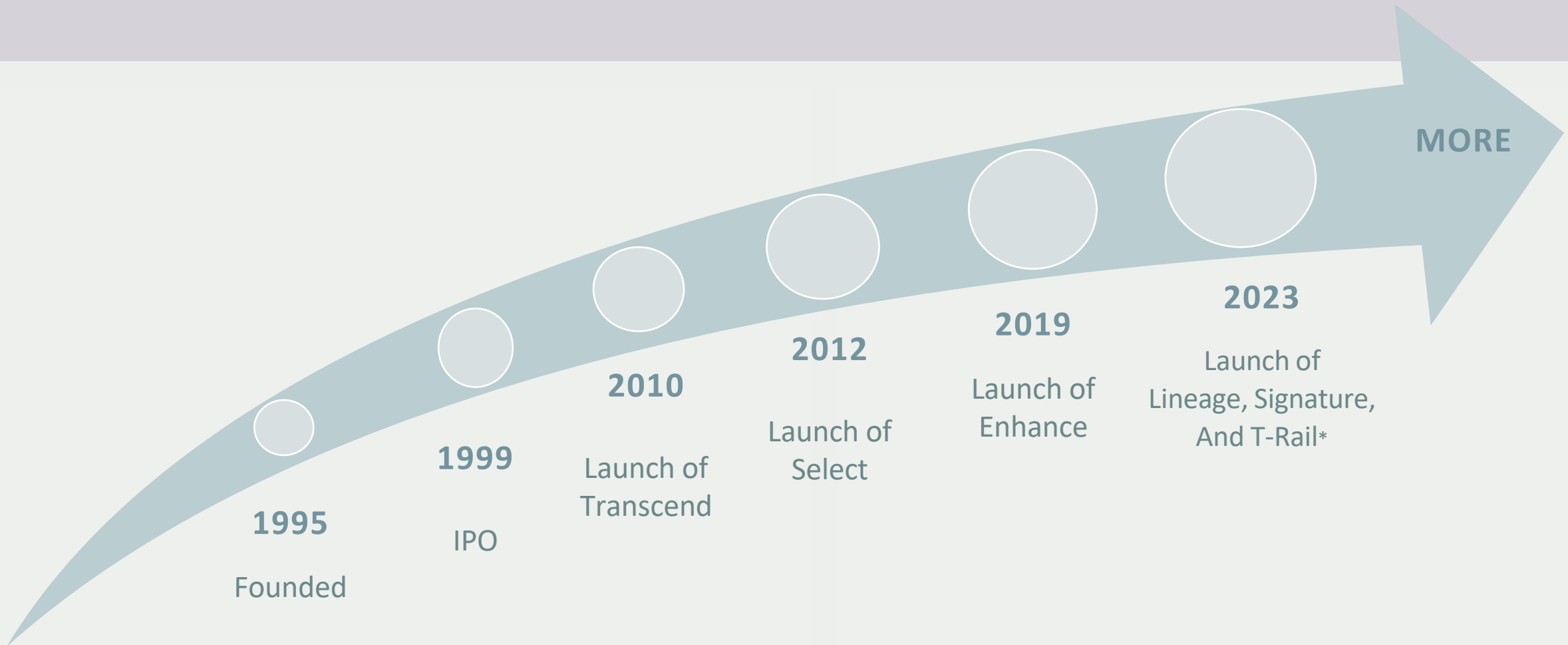
Bret Martz
VP, Field Sales
21 Years



Rodrigo Piñeiro
VP, Innovation &
Development
4 Years

SEEING MORE GROWTH

Invented Composite Decking. Reinventing Outdoor Living

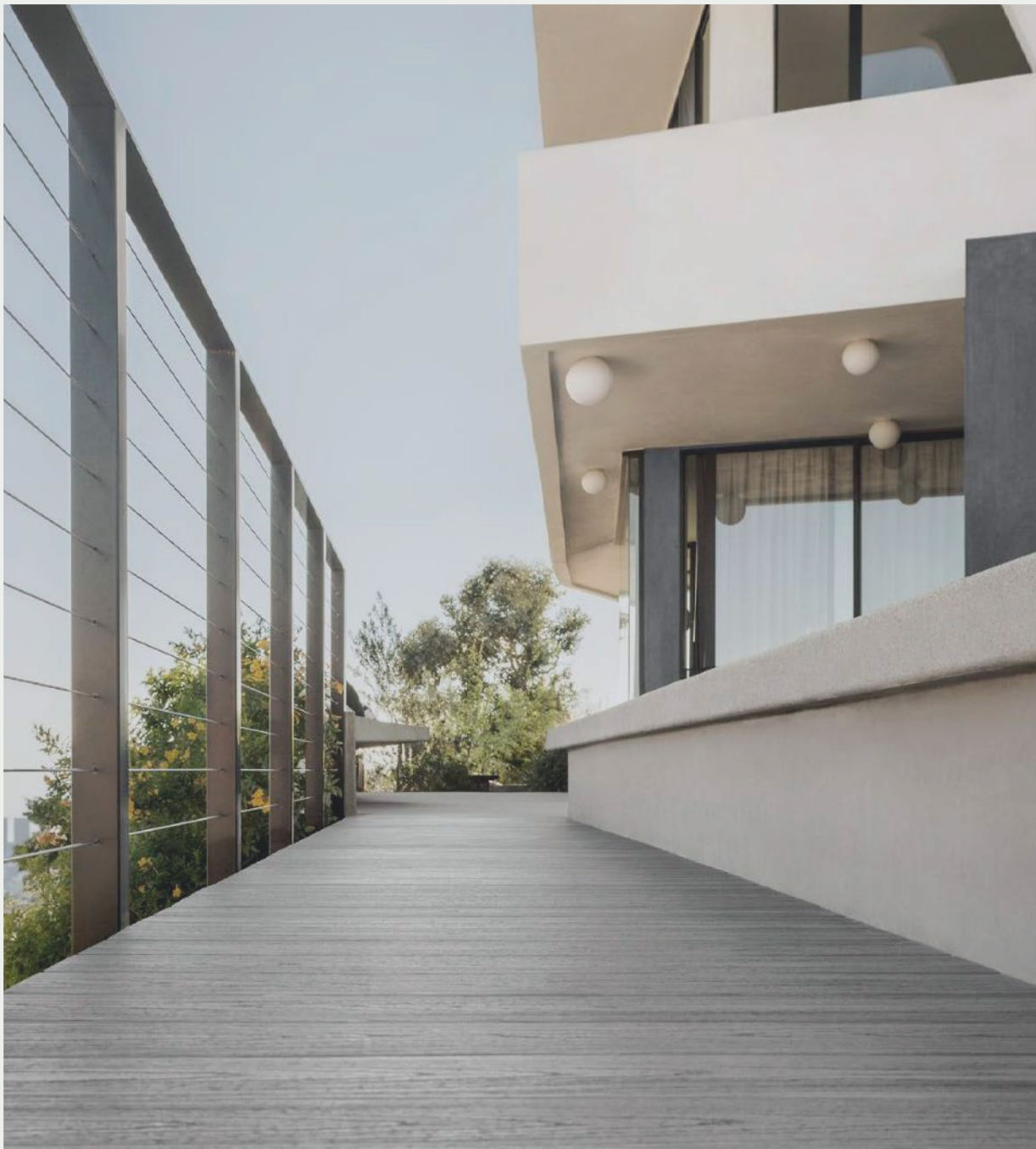


*Figures based on residential segment and most recent 2023 Company midpoint guidance

A modern outdoor pool deck with a rectangular pool, surrounded by palm trees and a view of the ocean at sunset. The deck is made of dark grey composite decking. The pool has a white interior and blue LED lights along the edge. To the right, there is a lounge area with white cushions and a blue blanket. The background shows a sunset over the ocean with palm trees in the foreground.

SEEING MORE OF YOUR OUTDOORS

Consumers want a comfortable,
eco-friendly, low-maintenance,
and aesthetically-pleasing space
in which to enjoy the outdoors.



TREX INVESTOR DAY

Today's Takeaways

1. Large and expanding addressable market and targeted strategy to capture share
2. Market-leading channel relationships, hear from key channel partners
3. Industry-leading manufacturing, ability to effectively add new efficient capacity and accelerate innovation
4. Trex Brand leadership driving customer demand
5. Strong ESG credentials and ongoing development plan



1.

GROWTH LEADERSHIP

Trex®

ADAM ZAMBANINI

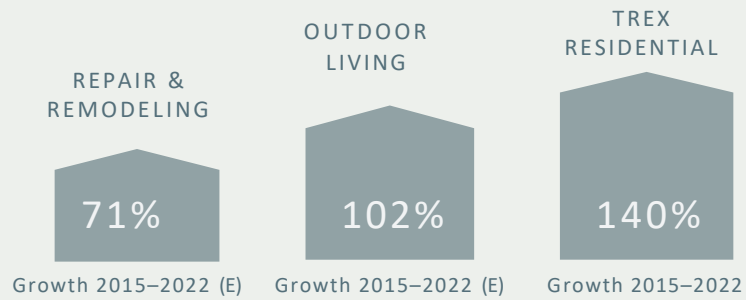




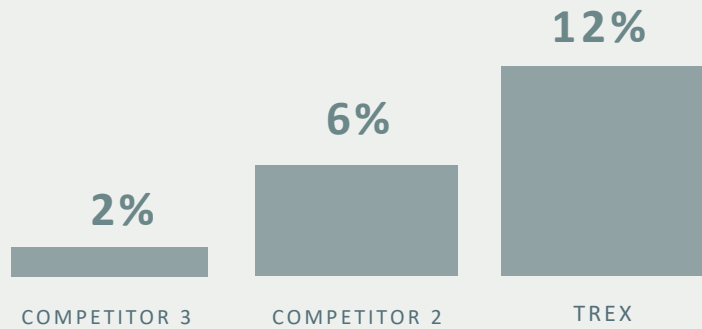
SEEING MORE POSSIBILITY

Overall Market Opportunity

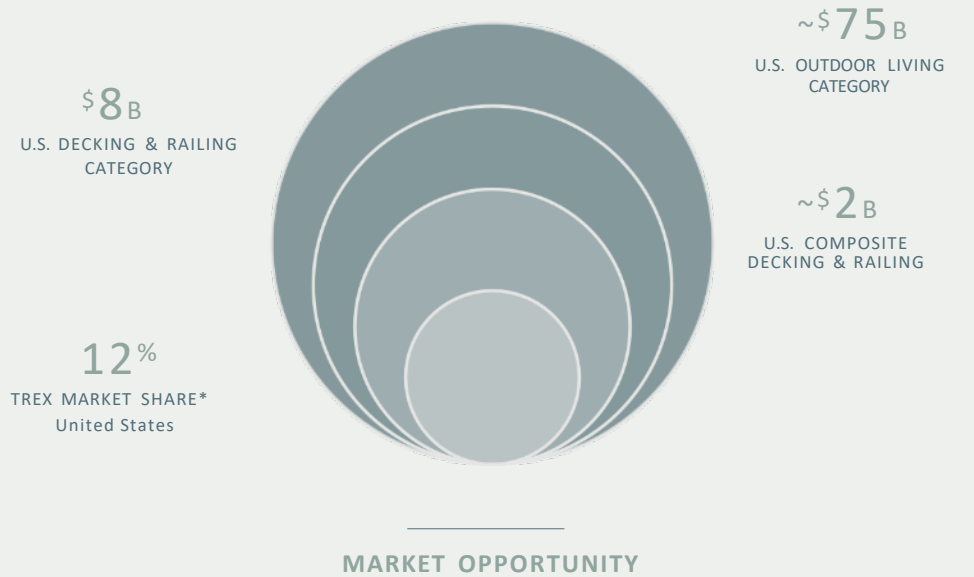
With more than 60 million decks in the U.S. (50M residential and 10M commercial), it is estimated that 30 million decks are past their useful life and need to be replaced or repaired.
 - NADRA (North American Deck and Railing Association) MAY 31, 2023



MARKET SHARE OF DECKING & RAILING



• Sources: Joint Center for Housing Studies of Harvard University, 2022 and company data



• Source: Principia Partners, 2022

*of the \$8B U.S. Decking & Railing Category



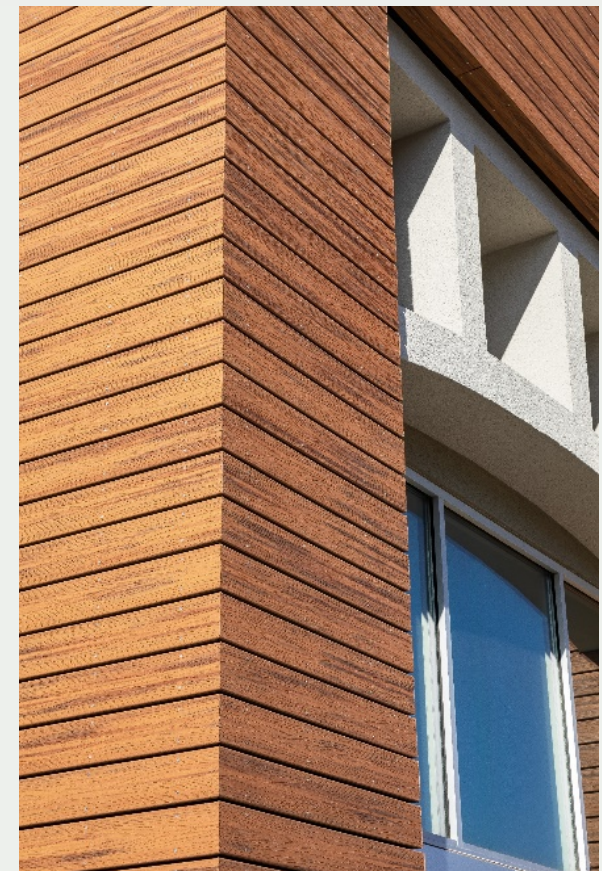

Today's Conversation



DECKING



RAILING



ADJACENCIES



DECKING

A Performance Story that Begg the Question: Why Would you Build with Wood?

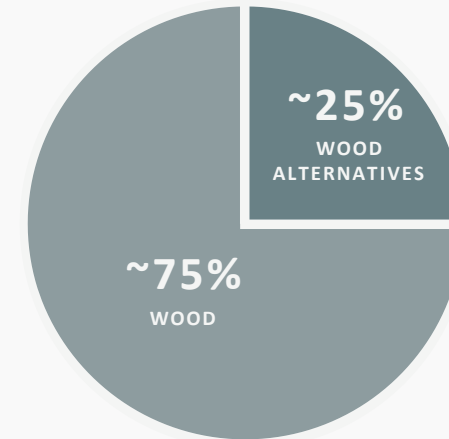
WITH TREX, YOU WOULD HAVE TO BUILD AT LEAST TWO WOOD DECKS DURING THE 25-YEAR WARRANTY PERIOD OF TREX ENHANCE DECKING

WOOD	TREX®
\$1,050 DECK 1 MATERIAL COST	\$1,700 DECK 1 MATERIAL COST
\$5,350 DECK 1 LABOR	\$5,350 DECK 1 LABOR
\$6,400 DECK 1 COST	\$7,050 DECK 1 COST
\$6,400 DECK 2 REBUILD	\$ - DECK 2 REBUILD
\$2,500 MAINTENANCE	\$ - MAINTENANCE
\$15,300 TOTAL 25-YEAR DECK COST	\$7,050 TOTAL 25-YEAR DECK COST

All calculations are based on a 16x20 (320 sq. ft.) tear-off of a wood deck on an existing structure and replacement with hidden fastener system. Costs for annual wood deck maintenance at approximately \$100 per year. Trex calculations are based on the Trex Enhance® Basics line.

• Source: Company data

UNIQUELY POSITIONED TO CONVERT CURRENT WOOD MARKET



+1% market share growth from wood equals
+\$80M in annual composite sales

• Source: Principia, 2022

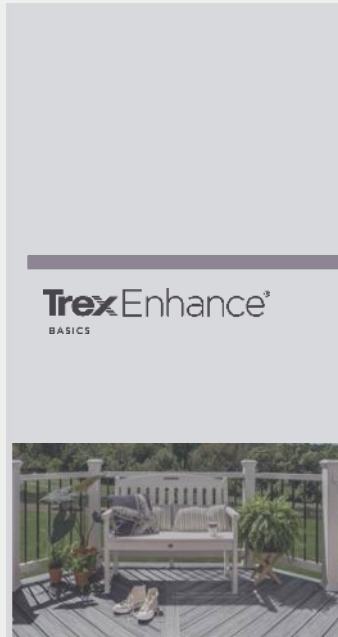
TREX DECKING

Decking Products for Every Price Point

Addressable Opportunity \$8.0B

COMPETITIVE
PRODUCT

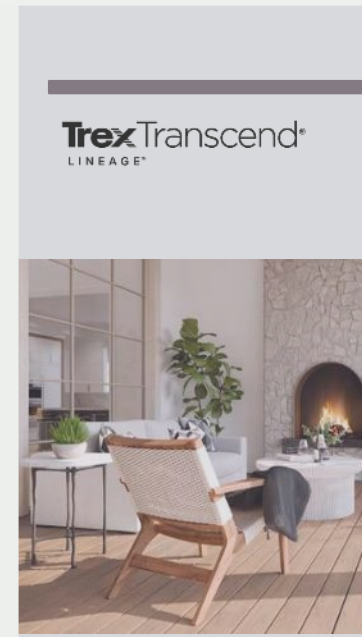
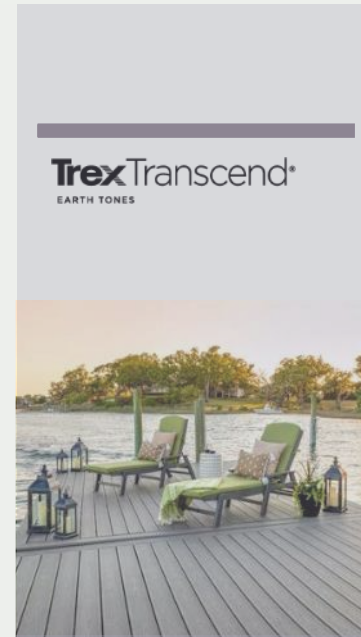
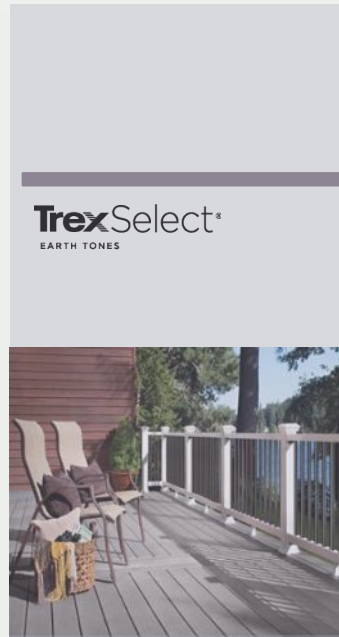
PRESSURE
TREATED



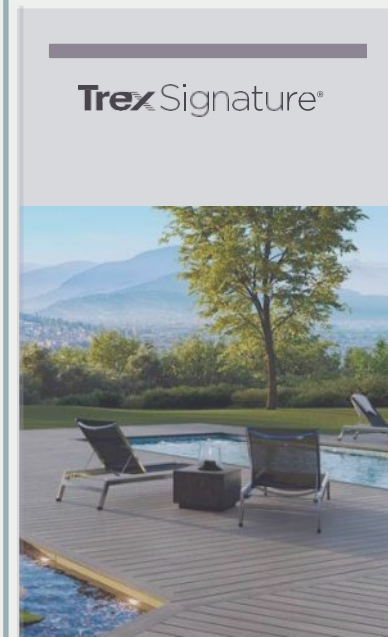
RETAIL PRICE

\$1.75-2.25/LF

COMPOSITE/PVC/
OTHER POLYMER



IPE, HARDWOOD,
REDWOOD, CEDAR



\$8.00 - 10.00/LF

ONLY DECKING MANUFACTURER WITH A FULL RANGE OF PRODUCTS



TREX RAILING

Strategic Drivers for Railing Growth

1. Branding
2. Product
3. Logistics
4. Integration

TREX RAILING

Residential Railing Market

Addressable Opportunity \$3.3B

COMPETITIVE
PRODUCT

PT WOOD

IRON

PVC

COMPOSITE

ALUMINUM

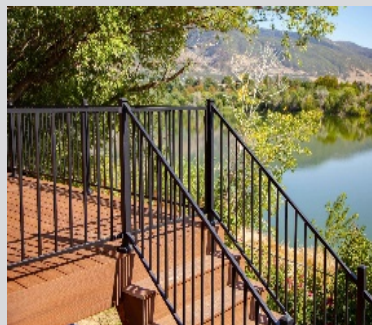
SPECIALTY

TrexEnhance[®]
RAILING



RETAIL
PRICE

\$15-25/LF



\$20-25/LF

TrexSelect[®]
RAILING



\$25-35/LF

TrexTranscend[®]
RAILING



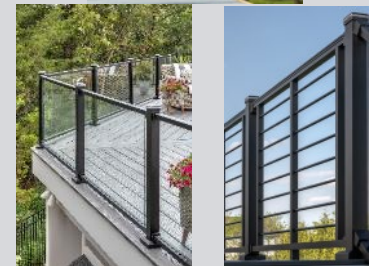
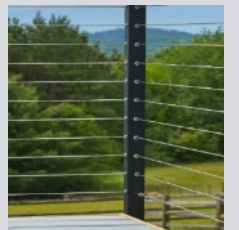
\$35-65/LF

TrexSignature[®]
RAILING



\$35-60/LF

TrexSignature[®]
ROD RAIL



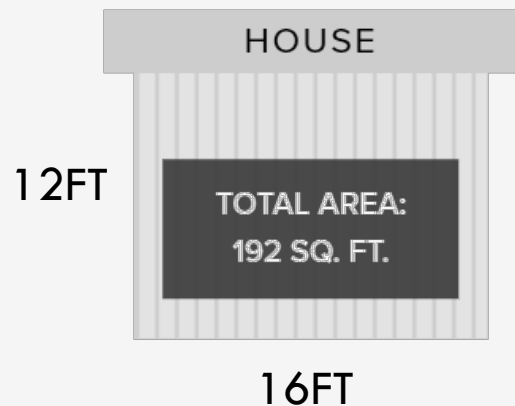
\$80-160/LF

• Source: Principia Partners, 2022 and Company Data

Bolded products represent the newest launches

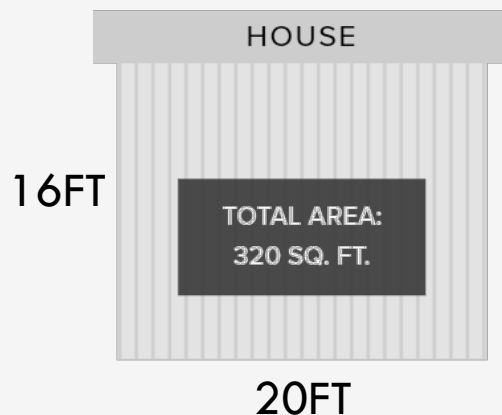
Railing Opportunity “Deck by Deck”

Most consumers underestimate the cost of railing. In many cases, it is the same or more than decking.



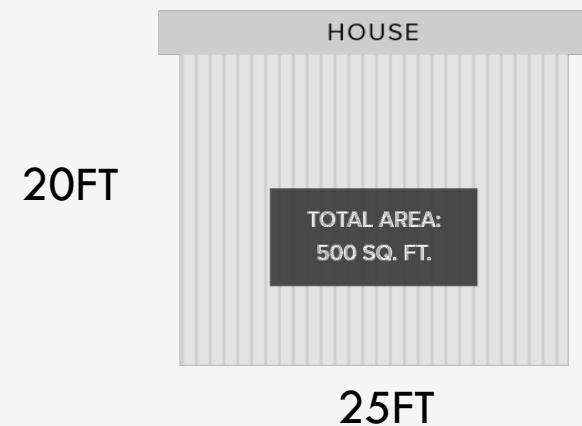
DIY Consumer

Trex Enhance Railing \$1,350
~55% of job



TrexPRO Consumer

Trex Transcend Railing - \$2,600
~30% of job



TrexPRO Platinum Consumer

Trex Rod Rail - \$11,300
~50% of job

* INCLUDES NEW SUBSTRUCTURE

* INCLUDES NEW SUBSTRUCTURE

Incremental Growth Through Adjacencies & Expansions

Addressable Opportunity \$2.4B

Fasteners



- Seamless look that provides a clean finish on deck surface
- Automatically gaps boards upon installation
- Easy add on for every order

Cladding



- Transcend boards apply vertically or horizontally
- 50-year residential, + 25-year commercial warranty

Fencing



- The look of wood without the maintenance
- Passes 140 mph code listing
- Available in 3 colors

TREX ADJACENCIES

A Full Array of Lifestyle Products Designed to Live up to all the Ways you Want to Live Outdoors



SEEING MORE POSSIBILITY

Organic Opportunity

DECKING, RAILING AND ADJACENCIES

ADDRESSABLE GROWTH OPPORTUNITY: \$13.7B

+ PRICING

+ ACQUISITIONS



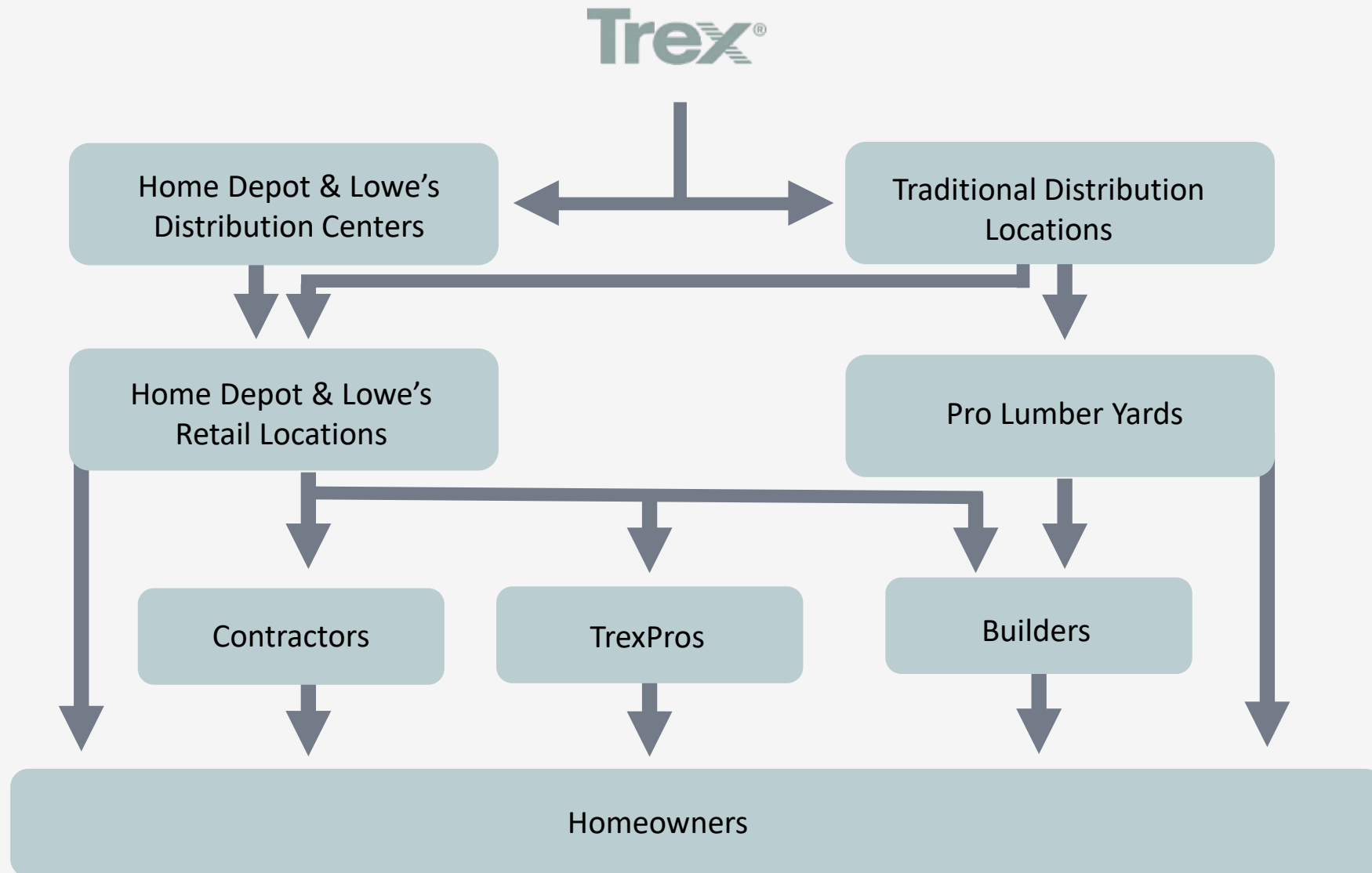
2. SALES AND DISTRIBUTION LEADERSHIP



FRANK DE IULIIS & BRET MARTZ



The Leading Distribution Channel





SEEING MORE GROWTH

Trex Sales Leadership

Meet the consumer wherever they shop for decking, railing, and fasteners:

- Best distribution partners in every market
- Industry's best professional and DIY retail positions
- Premier contractor partners with unmatched loyalty program
- Leverage Trex brand to further capitalize on the home builder and architect opportunities
- International expansion

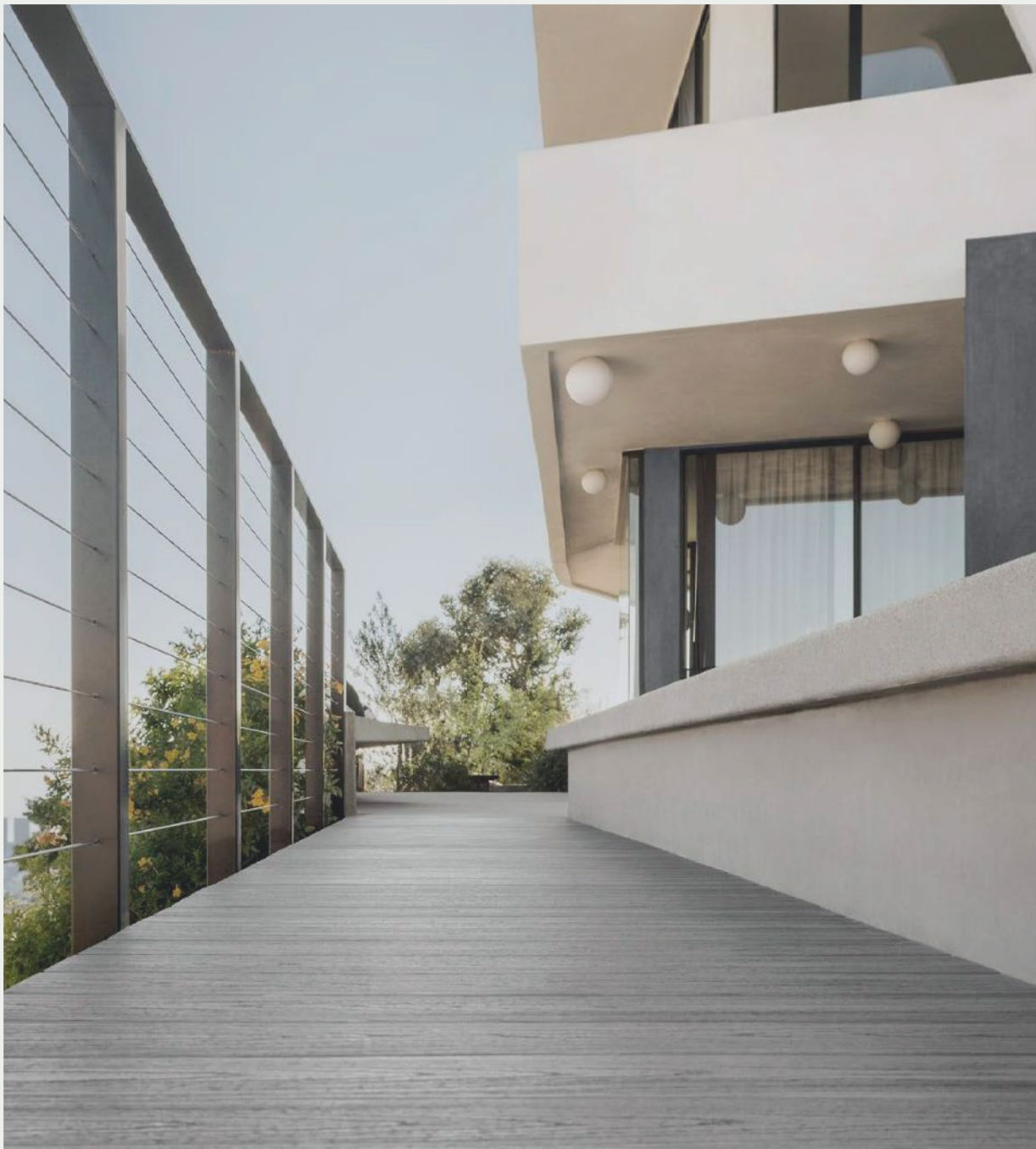


Boise Cascade



SPECIALTY BUILDING PRODUCTS





SEEING MORE GROWTH

2023 Professional Sales and Distribution Channel

- ~100 field sales team members providing unparalleled pull-through support while focusing on profitable growth specific to outdoor living
- ~100 Distributor Locations across North America offering a full complement of Trex products
- 3,500+ professional dealer locations offering unsurpassed access for the contractor and homeowner community to Trex Products
- 2,600+ TrexPros providing the best customer experience for outdoor living projects



SEEING MORE GROWTH

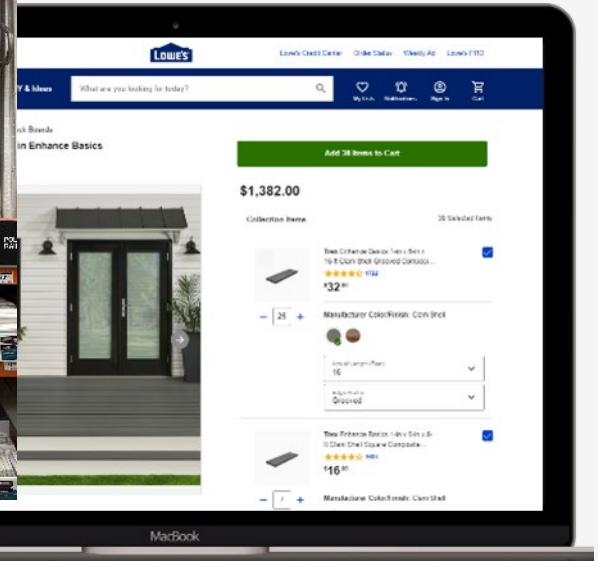
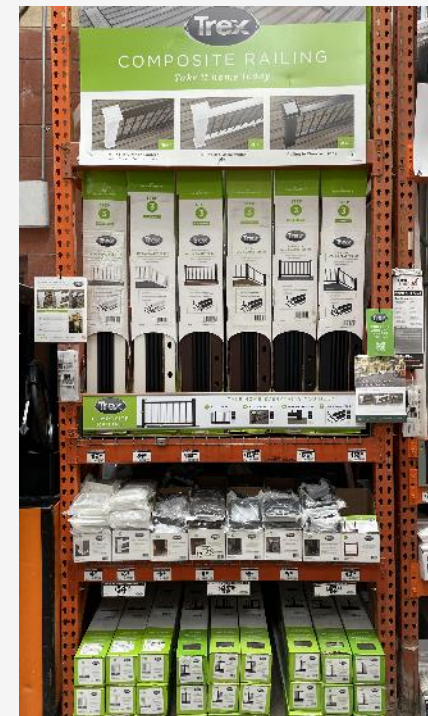
Home Center Leadership

Trex's Competitive Advantage

- Dedicated home center sales team
- The only composite decking and railing brand sold in-store and on-line at both Lowe's and Home Depot, 3000+ North American stock locations
- Best-in-class distributors that drive special order business

Seeing More Opportunities for Home Center Growth

- Placement to gain share from the significant retail wood market
- Expand railing attachment rate
- Attract pro consumers by capitalizing on retailer infrastructure investments
- Make it easier for DIY consumers by simplifying the deck planning, purchasing and installation processes



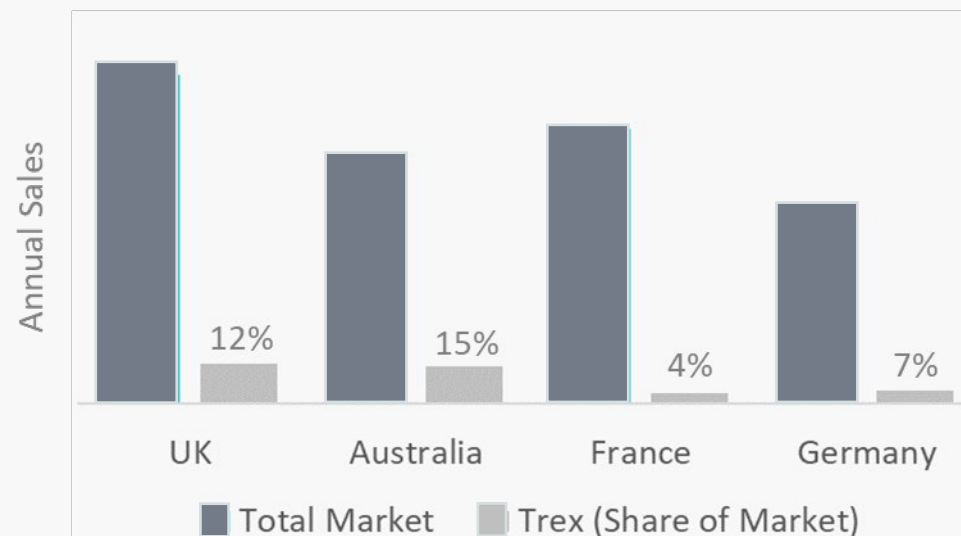


SEEING MORE GROWTH

International Business

- The composite decking market outside of North America is estimated to be 40% of the worldwide market
- Trex is sold in 40+ countries outside of North America
 - Focused on key markets including UK, Australia, France, and Germany
- Strong brand awareness gains vs other composites and vs wood

Long-term upside potential in international markets



SEEING MORE GROWTH

Panel Discussion Guests



JEFF STROM

EXECUTIVE VICE PRESIDENT,
BUILDING MATERIALS
BOISE BUILDING PRODUCTS



DOUG MANS

PRESIDENT & OWNER,
MANS LUMBER
CANTON, MICHIGAN



PETE CIARALDI

OWNER, PROFESSIONAL
BUILDING SERVICES
SALEM, NEW HAMPSHIRE



3.

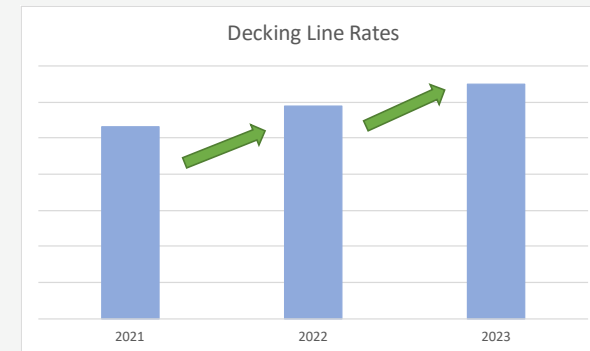
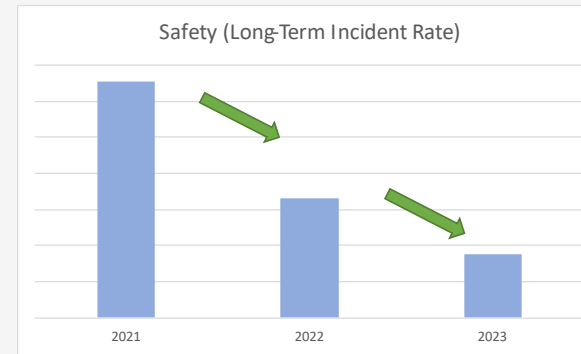
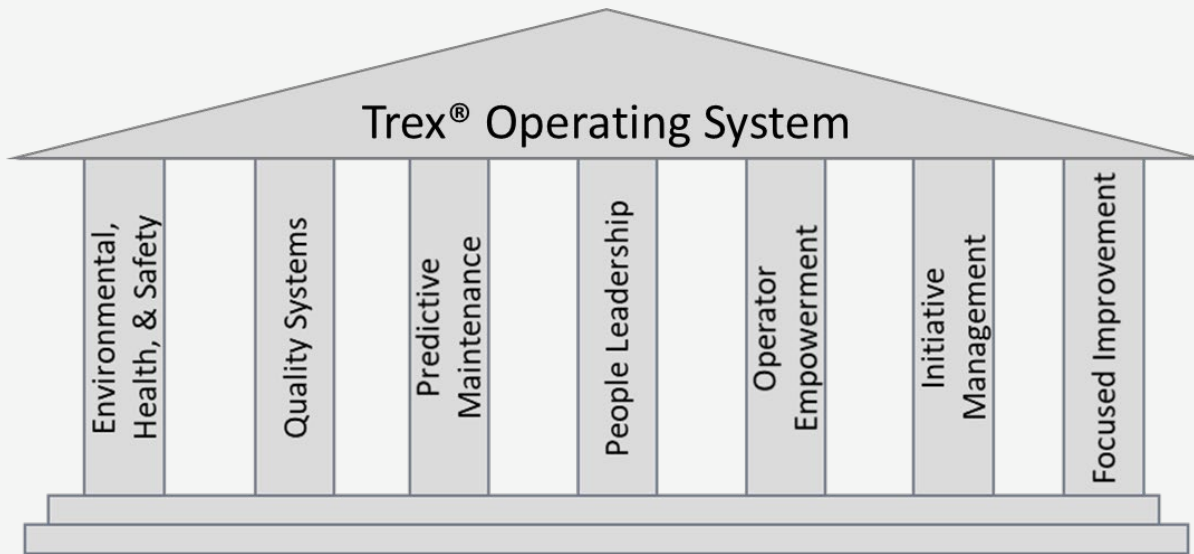
OPERATIONS LEADERSHIP

Trex®

ZACH LAUER, BARRY CREEK, RODRIGO PIÑEIRO

Driving Performance with the Trex® Operating System

The Trex® Operating System utilizes industry-proven methodologies across 7 pillars to eliminate losses, improve performance, and drive sustainable continuous improvement



Low-Cost Material Advantage

We continue to extract value from materials by...

- Broadening our material streams
- Implementing new material processes
- Developing the next generation of low-cost materials

Trex®

95%

Recycled &
Reclaimed Content

\$0.05/lb.-

\$0.30/lb.

Recycled &
Reclaimed Materials

Others

\$0.60/lb.-

\$0.70/lb.

Virgin Resin



Expand EBITDA Margins Through Continuous Improvement

Automation



Lower cost and minimize risk to labor availability by expanding automation & technology

Manufacturing Operations

Distribution Operations

Supporting Business Operations

Vertical Integration



Reduce material costs, supply risk, and protect intellectual property through vertical integration

Railing

Services & Metal Fabrication

New Material Processes

Capacity Expansions: 2019-2022

- \$200M to increase capacity by 85% at Virginia and Nevada by June 2021
 - Increased capacity across decking, railing, and fencing
 - Necessary for peak demand experienced in 2021
 - Market confidence in supply as greenfield construction is underway
- Complexity beyond simply adding production lines
 - Construction – from open field to fully functioning factory
 - Plant infrastructure and utilities to operate lines at full output
 - Ancillary processes (e.g., transportation, logistics, plastic reprocessing)
- Preparation for Little Rock greenfield as a part of the \$400M modular capacity expansion announced in Q4-21
 - Refined latest technology for high-speed decking lines
 - Created playbook for staffing, training, and ramping a new plant
 - Built up critical competency in project management

Current Expansion: Little Rock



- Continue and expand low-cost leadership in manufacturing
 - Latest technology
 - Large available workforce
 - Proximity to growing markets
 - Proximity to raw materials
- Modular approach to expansion
 - Protects against over-investment
 - Will incorporate developing tech
- Space to double current capacity
 - No lag time for future site search

Trex[®]: Engineering What's NEXT in Outdoor Living by Innovating

PRODUCT INNOVATION

- Trex invests to drive consumer value in everything we sell
- New products like Signature and Lineage unlock our freedom to create solutions to new trends and consumer needs

PROCESS INNOVATION

- Cost effective material conversion demands that legacy systems, materials and equipment be continuously reimaged
- We are currently on our third manufacturing reinvention and are already envisioning the 4th and 5th evolutions
- Unlocking the value of waste is in our DNA

QUALITY INNOVATION

- Investments in technology and AI are revolutionizing the way we assess quality
- We believe in deploying machines to do what machines do best AND enabling the REAL intelligence of our employees

OPERATIONS

Panel Discussion



ZACH LAUER
VICE PRESIDENT, SUPPLY CHAIN



BARRY CREEK
VICE PRESIDENT, OPERATIONS



RODRIGO PIÑEIRO
VICE PRESIDENT, INNOVATION &
QUALITY



4. BRANDING & ESG LEADERSHIP

Trex®

LESLIE ADKINS



4A.

TREX BRANDING



WE SEE MORE TOO



The Most Recognized Brand in the Industry

Trex consistently earns top honors across our industry:

- For 16 years, Trex Decking and Railing earned top rankings in *Builder Magazine's* Brand Use Study
 - Highest Brand Familiarity
 - Brand Used Most in last 2 years
 - Brand Use at all in last 2 years
- For 13 consecutive years, *Green Builder* Media has named Trex the Most Sustainable Decking Products
- Innovation awards:
 - *Green Builder* Sustainable Products of the Year
 - 2023 Trex Transcend Lineage decking
 - 2022 AR Deck Visualizer App

Forbes

2022 AMERICA'S BEST Mid-Size Companies #12 of 100 companies

houzz

2022 BEST OF Houzz Design

IndustryWeek.

#6 50 BEST U.S. Manufacturers

Builder

2022 Brand Use Study

#1 in Brand FAMILIARITY

#1 Brand MOST USED

#1 Brand USED MOST in the past 2 years

Two Years #1 in OVERALL QUALITY

GREEN BUILDER

2022 READERS' CHOICE AWARD for "GREENEST" DECKING (12th year running)

2022 HIGHEST SCORE for decking 2021

"HOT 50 PRODUCTS" TREX

Signature® Railing

2022 SUSTAINABLE PRODUCT OF THE YEAR – AR Deck Visualizer App

PRO REMODELER

2022 "TOP 100 PRODUCTS" TREX® composite decking & Outdoor Kitchens™

LIFE STORY

2023 AMERICA'S MOST TRUSTED® survey

AMERICA'S MOST TRUSTED Outdoor Decking Brand and the only five-star rating in the decking category

Brand Leadership Across the Board

Category Leadership

#1 Brand in
Composite
Decking

#1 Brand in
Wood-Alternative
Railing

Earned Media

Media Coverage
contributes more
than 3B
impressions
annually

Search Traffic

Google Trends
data show
consumers
search for TREX
more than all
other brands
combined

Awareness

Unaided Brand
Awareness for
Trex is **more than**
2x that of our
closest
competitor



TREX BRANDING

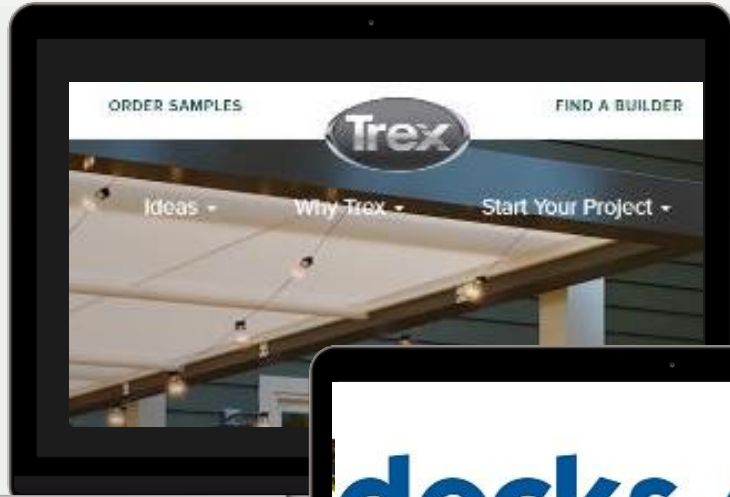
Tiered Marketing Approach Amplifies Branding Efforts





ENGAGEMENT + PREFERENCE

Dominating Category Web Traffic



DECKING RELATED WEB TRAFFIC

All Others 10%

Competitor 2
<30%

Trex.com
and
Decks.com
>60%

4B.



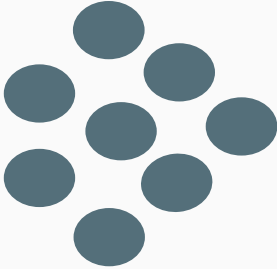
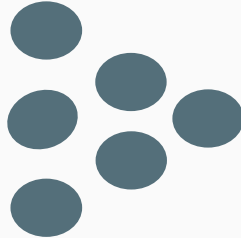
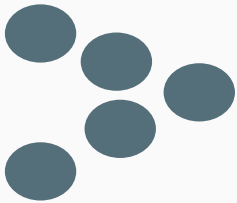

CONSUMER INSIGHTS DRIVE INNOVATION

Trex[®]

MARKETING + ESG DEVELOPMENT



New Product Pipeline

IDEA		CONCEPT DEVELOPMENT			COMMERCIALIZATION
Insights derived from consumer research prompt product innovation  IDEA	 BUSINESS FEASIBILITY	 PRODUCT DESIGN	 PROCESS DEVELOPMENT	 TESTING	 ADVERTISE, MERCHANDISE, LAUNCH
	GATE 1	GATE 2	GATE 3	GATE 4	GATE 5

Recent Launches Across Product Spectrum



Trex Transcend® Lineage™ Decking

Elevated aesthetic with elegant graining

Launched nationally in June 2022

Available in 4 colors

Designed with heat-mitigating technology



Trex Signature® Decking

Unmatched luxury and realism inspired by nature

Available regionally in 2023 in 5 markets

Sets a new standard in style and comes backed by a new 50-year warranty



Trex Select® T-Rail

Competitively priced composite railing that combines performance with low-maintenance

Expands addressable audience

Competes against \$0.3B vinyl (PVC) railing market



4C.

ESG AT TREX

Trex[®]

MARKETING + ESG DEVELOPMENT

SEEING MORE IMPACT

ESG Leadership

Reducing Our Footprint

- Sustainability goals aligned with profitability goals:
 - Industry-leading 95% recycled and reclaimed content in our decking
 - Recycled 337M pounds of waste polyethylene in 2022
 - Established a program to divert construction offcuts and end-of-life Trex decking from landfills
- Committed to reducing waste, water and energy
- Building a strategy to reduce carbon emissions



Empowering Our People

- Prioritizing Health & Safety
- Investing in our employees' professional development, retention and overall welfare
- Promoting diversity, equity and inclusion (DE&I) across the organization



Strengthening Our Communities

- Community investment in local charitable organizations as well as our long-term partnership with United Way
- NexTrex® community outreach and recycling program benefits more than 3,300 community groups and schools



5.

FINANCIAL OVERVIEW

Trex[®]

BRYAN FAIRBANKS

Seeing More Value

	2018-2023*	Outlook
Organic Revenue Growth	12% Residential Segment	Continued strength in remodeling spend due to age of homes, affordability, and desire for low maintenance materials
EBITDA Margin	~28-30% Residential Segment	Stability through economic cycles, ability to leverage continuous improvement programs and drive margin expansion
Shareholder Capital Return (Share Buybacks)	\$761M in past 10 years \$395M in 2022	Disciplined capital return program, further opportunity with our conservative balance sheet

*Figures based on most recent 2023 Company midpoint guidance

FINANCIAL OVERVIEW

Recent Guidance

\$280–290_M

Q3 REVENUE

\$1.04–1.06_B

FULL YEAR REVENUE

28–29%

EBITDA MARGIN

\$145–155_M

CAPEX

15–16%

SG&A % OF SALES

\$45–47_M

DEPRECIATION & AMORTIZATION

25–26%

TAX RATE

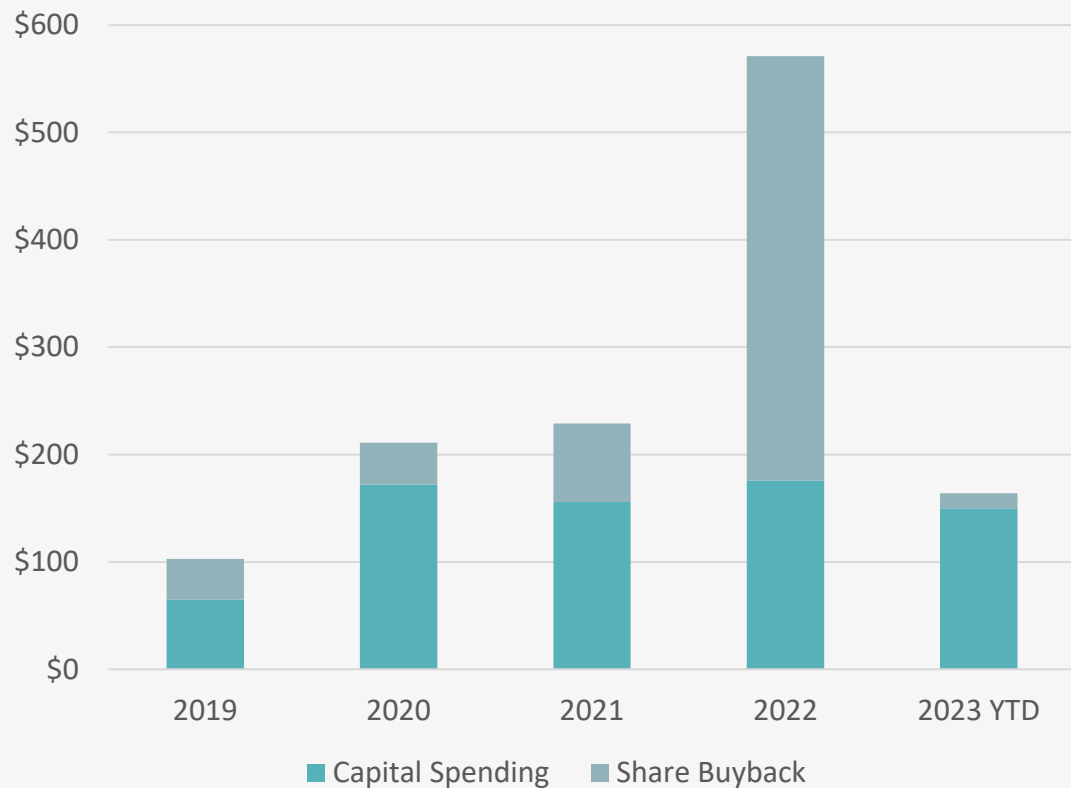
Q3

FULL YEAR

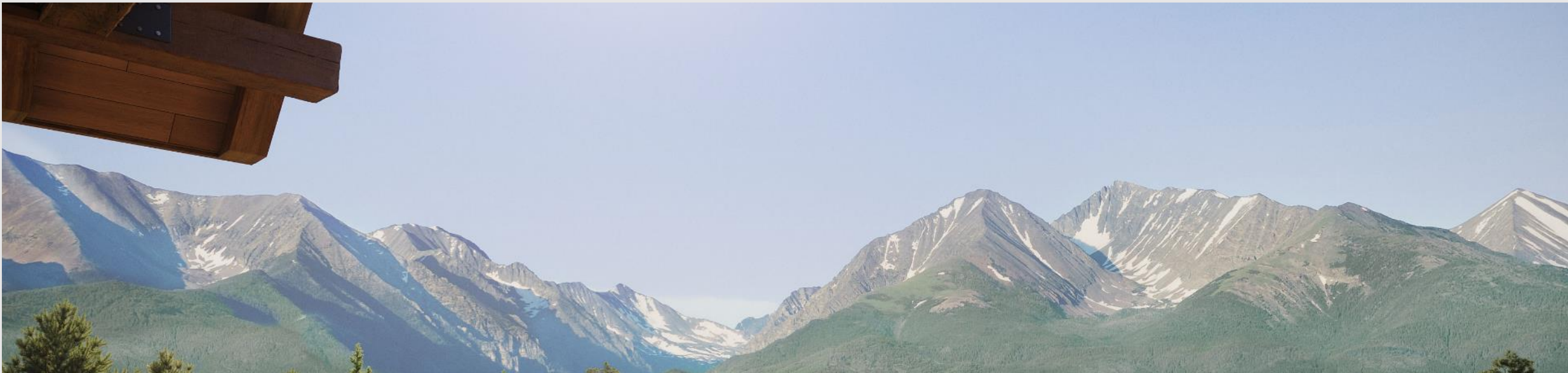


FINANCIAL OVERVIEW

Disciplined Capital Allocation



- Priorities: Organic growth investment, process and productivity improvements, share buybacks and acquisitions
- Growth strategy allows for all of the above with conservative balance sheet
- 32M shares purchased over the last 10 years, with an average price of \$23.22 per share
- In May 2023, Trex authorized the buyback of up to 10.8M shares (10%)
- Continued focus on leading ROIC metrics



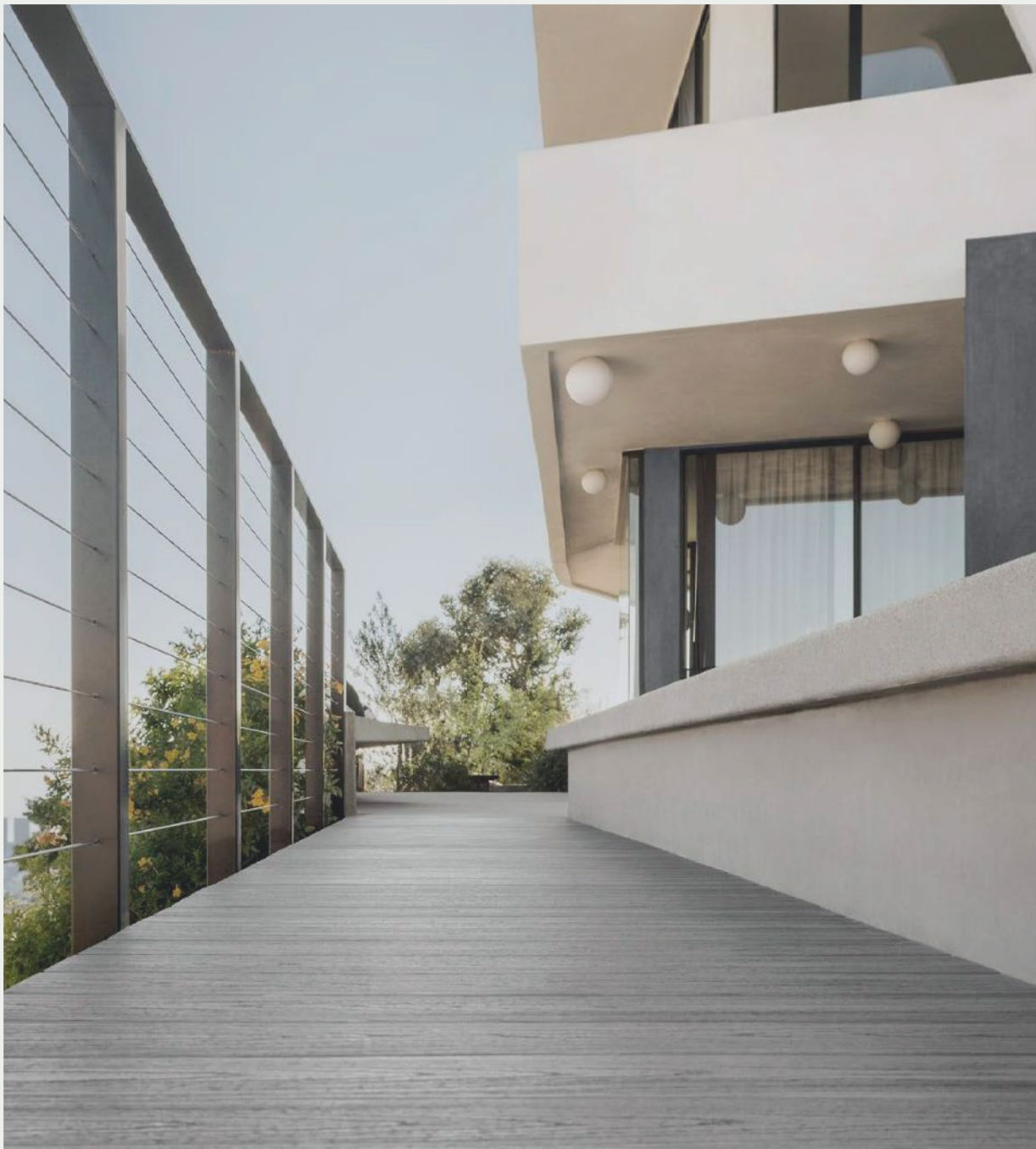
6.

CLOSING SUMMARY

Trex®

BRYAN FAIRBANKS





TREX INVESTOR DAY

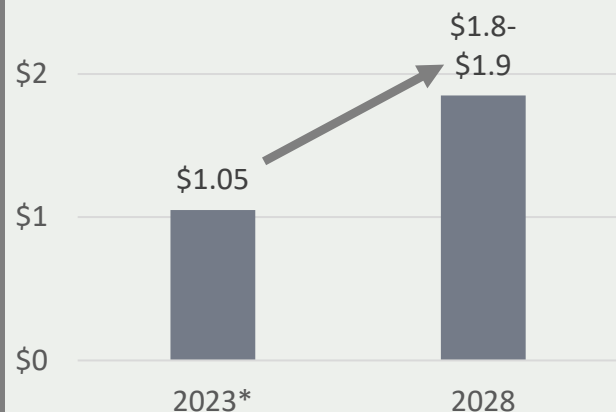
Take Aways

1. Trex has a \$13.7B addressable market over the next 5 years and the leadership position to capture double digit top-line growth
2. Trex brand equity + best-in-class channel partnerships will continue to drive substantial growth, supported by its industry-leading manufacturing operations
3. Accelerated product innovation and Little Rock expansion will further strengthen our market leadership position
4. All strategic initiatives and programs are underpinned by conservative financial management and responsible and business focused ESG practices

SEEING MORE

Five Year Targets

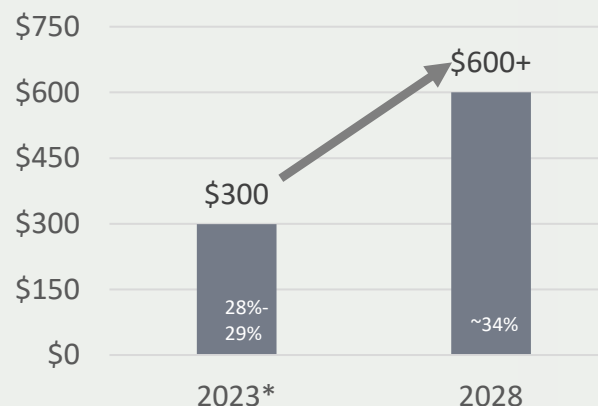
REVENUE (\$B)



Revenue growth driven by wood conversion (200 bps annual average), railing expansion and adjacencies. Excludes acquisitions

* Assumes mid-point of 2023 FY guidance

EBITDA (\$M)



EBITDA margin growth by 500 bps to ~34% driven by continuous improvement, efficient operations and leveraging capacity investments

MORE

- New product introductions every 6-9 months
- Focus on process and productivity improvements
- Aggressive share buybacks, utilizing conservative balance to supplement strong free cash flow generation
- Acquisition activity in outdoor living space would provide upside to five-year targets



Contact Us

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THANK YOU