



Employee Stock Purchase Plan

FREQUENTLY ASKED QUESTIONS

Q. Who is eligible to purchase stock?

A. You are eligible to participate in the ESPP if you are a full-time or part-time CMC employee who was hired on or before September 1, 2023.

Q. When can I enroll to purchase stock?

A. You can enroll to purchase stock from January 8 to January 26, 2024.

Q. What is Commercial Metals' ticker symbol?

A. CMC is our ticker symbol, which is the abbreviation used to identify our stock on the New York Stock Exchange (NYSE).

Q. How do I enroll to purchase stock?

A. **If you don't have a Schwab account**, you'll need to open one before you enroll. Go to <http://eac.schwab.com> and click **Get Started**. You'll be prompted through the account creation process, which includes entering your CMC Employee ID (without a leading "P" or zeros). Because this is a brokerage account that can be used for trading outside of the CMC ESPP, Schwab will ask questions about your personal finances for identification and verification purposes and your investment knowledge in order to point you to Schwab's library of resources. If you need help opening an account, you can watch a [video tutorial](#) that's posted on the EAC page or call Schwab at 800-654-2593, Monday – Friday, 24 hours a day. Once your account has been created, follow the same steps listed below for employees who already have an account.

If you have a Schwab account, log in and select **Equity Awards** from the menu at the top or under the **Employer Sponsored** section. Then, select **Enroll** from your notifications. You'll be prompted through the enrollment process. If you need help enrolling, you can watch a [video tutorial](#), or you can contact a Schwab representative at 800-654-2593, Monday – Friday, 24 hours a day.

To learn more about the ESPP, how it works, and how to enroll, read the guide – posted in both English and Spanish – on the ESPP page of myCMCbenefits.com. Use your CMC network ID and password to log on. Or, from the GlobalNet home page, click **Benefits**, then **Benefits Guides**, then **ESPP**. For password resets, contact the IT Helpdesk at 888-823-1212. There, you'll also find a deduction calculator that tells you what your paycheck deduction will be, depending on how much stock you want to buy.



Q. How many shares may I enroll to purchase?

A. You may enroll to purchase up to 500 shares in 10-unit increments, or up to a \$25,000 maximum based on the full price (per IRS regulations).

Q. How do I pay for the shares I enroll to purchase?

A. You pay for the shares you enroll to purchase through payroll deductions.

Q. When will my payroll deductions begin?

A. Your payroll deductions start with your February 8, 2024 paycheck.

Q. How much will it cost?

A. Your cost per share is \$42.16. This price represents 85% of the average closing price of CMC common stock on the New York Stock Exchange for each of the 10 trading days immediately prior to January 1, 2024, which is \$49.60. If 85% of the fair market price of the shares on the date the shares are issued in your name is less than \$42.16, you will be refunded the difference times the number of shares you purchased.

Example: Michael elects to purchase 100 shares, and 85% of the average stock price for the last 10 trading days of 2023 was \$42.16.

Michael Pays: \$4,216 (100 x \$42.16 = \$4,216). Michael is paid bi-weekly, so his payroll deductions would be \$183.30.

Note: If Michael was paid weekly, his deduction would be \$93.69 per week. Because he purchases stock through the ESPP, he pays 85% of the average stock price and receives a discount of \$744 (100 x (\$49.60 - \$42.16) = \$744).

Q. What happens if the stock price decreases during the upcoming year?

A: Even if the stock price goes down during the year, you still receive a 15% discount off the purchase price! Since payroll deductions are taken throughout the year based on the price at the beginning of the year, you will receive a refund of the difference once the shares are purchased on your behalf.

Q. When will I own the shares of stock that I purchase in 2024?

A. The shares you enroll to purchase in 2024 will be purchased on February 3, 2025 and delivered to your Schwab account by February 4, 2025. Note, you only receive the shares if you are still a CMC employee on February 3, 2025 and have paid the full amount of your portion of the total cost of your shares.



Q. Do the shares I purchase receive the quarterly dividend?

A. Yes! As soon as the shares are purchased in your name, they are full-value shares that are eligible for CMC's dividend.

Example (these numbers are illustrative and may not reflect the actual share price): On February 1, the CMC share price is \$30. Michael purchases 400 shares on February 1 at a discounted price of \$25.50 for a total cost of \$10,200. A year later, the share price increases 5% to \$31.00 per share. Also, he receives four dividend checks during the year at \$0.14 per share each quarter, adding an additional \$224 in value. Therefore, on February 3 the following year, the total value of his shares (including dividends) is now \$12,264. Based on the discounted price he paid, this represents a 26% return over the course of one year!

Purchase Price on February 1	Share Price on February 1 One Year Later	Four Dividend Checks from February 1 to January 31	Total Value of Shares on February 1 One Year Later	Return Over One Year
\$25.50 (\$30.00 - 15% discount) x 400 = \$10,200	\$31.00 x 400 = \$12,400	\$0.14 x 400 x 4 = \$224	\$12,400 + \$224 = \$12,624	26% Increase from \$10,200 to \$12,264

Q. Can I sell my shares at any time?

A. You may sell the shares you purchase in 2024 after they are delivered to your account by February 4, 2025. There is no requirement to hold the shares before you can sell them. However, you can't transfer the shares to another broker for one year, as the purchased shares must be tracked for tax purposes during this time.

Q. Can I transfer my shares to another broker?

A. You may transfer the shares you purchase in 2024 one year after they are purchased (transferable after February 1, 2026). For one year, CMC is required to track whether you sell your shares for reporting purposes. If you decide to transfer shares after a year, Schwab charges a transfer fee of \$25 for a partial transfer or \$50 if you transfer all of your shares out of your Schwab account.

Q. Does Schwab charge a fee for selling/trading shares?

A. All online trades through Schwab's Equity Award Center (EAC) are free. If you call a Schwab broker and ask him/her to sell/trade shares for you, the charge is \$25.00 per transaction.



Q. Will I be taxed on the portion of the shares the company discounts (15% discount)?

A. At the time the shares are issued (transferred to your name), you will not have to report any income. The amount of taxes you pay is determined when you actually sell the shares. For example, if you sell your shares within two years of the offer period (before February 1, 2026 for stock that's purchased on February 1, 2025), the 15% discount is taxable and will be reported on your W-2. You should consult your tax advisor with questions about reporting income due to the sale of stock on your tax return, as CMC does not offer tax advice to its employees. You can get free tax advice from our Employee Assistance Program. Call 866-695-6327 to schedule a meeting with a financial planner. You can also contact Schwab directly at 800-654-2593, available Monday through Friday, 24 hours a day.

Q. Will I be taxed on the shares that I purchased?

A. No tax is due until you decide to sell your shares.

Q. Why isn't the discount more than 15%?

A. In 2010, Commercial Metal's ESPP became a qualified plan. The maximum discount the IRS allows for qualified plans is 15%.

Q. If I enroll to purchase stock during the enrollment period and later change my mind, may I withdraw?

A. Yes, you may withdraw at any time up until December 12, 2024.

Q. Is the ESPP a good way to save money for the holidays?

A. No. Some employees have used the ESPP enrollment process as a vehicle for saving via payroll deduction throughout the year and then withdrawing before the deadline. This is not the intended use of the ESPP. An interest-bearing account is a better tool for short-term savings. If you have a desire to set money aside throughout the year for any reason, contact Employee Services to learn how to do this via direct deposit to a savings account through your personal bank. You may contact them at employeeservices@cmc.com or 877-262-8050.

Q. How does participating in the ESPP give me ownership in the company?

A. Through the ESPP, you purchase shares of CMC stock. Once shares are delivered to your account, you literally own a share of the company. While you hold shares, you have the right to influence decisions made at the annual shareholder meeting. CMC encourages you to take full advantage of your ownership by voting before the meeting.

Each year in November, proxy materials are sent out to shareholders that explain the decisions requiring a vote and provide directions for voting ahead of the meeting held the following January. (Note: If you are participating in the ESPP for the first time in 2024, you'll own shares in February 2025. You'll be able to vote ahead of the January 2026 annual shareholder meeting if you still have your shares at that time.)

Q. How can I access the free financial concierge service?

A. CMC offers all employees free financial guidance from trusted industry experts. Visit [schwab.com/financialconcierge](https://www.schwab.com/financialconcierge) to learn more and schedule your 1:1 session today.

Schwab exclusively uses WebEx for all their meetings. Employees can download the software if desired, but it's easiest to join from your browser. When you click the meeting invite, click Join From Your Browser. Then enter your name and email address and click Next to join the meeting.

