

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549  
FORM 10-Q**

(Mark One)

**Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**  
for the quarterly period ended September 30, 2023

Or

**Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**  
for the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 000-10436

**LB Foster**<sup>®</sup>

**L.B. Foster Company**

(Exact name of registrant as specified in its charter)

**Pennsylvania**  
(State of Incorporation)

**415 Holiday Drive, Suite 100, Pittsburgh, Pennsylvania**  
(Address of principal executive offices)

**25-1324733**  
(I. R. S. Employer Identification No.)

**15220**  
(Zip Code)

**(412) 928-3400**

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01	FSTR	NASDAQ Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Non-accelerated filer

Accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of November 1, 2023, there were 11,076,168 shares of the registrant's common stock, par value \$0.01 per share, outstanding.

L.B. FOSTER COMPANY AND SUBSIDIARIES

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**Part I. FINANCIAL INFORMATION**
**Item 1. Financial Statements**

L.B. FOSTER COMPANY AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(In thousands, except share data)

	September 30, 2023 (Unaudited)	December 31, 2022
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 2,969	\$ 2,882
Accounts receivable - net (Note 5)	64,638	82,455
Contract assets - net (Note 3)	30,503	33,613
Inventories - net (Note 6)	82,020	75,721
Other current assets	9,712	11,061
<b>Total current assets</b>	<b>189,842</b>	<b>205,732</b>
Property, plant, and equipment - net	75,867	85,344
Operating lease right-of-use assets - net	15,440	17,291
Other assets:		
Goodwill (Note 4)	30,856	30,733
Other intangibles - net (Note 4)	20,006	23,831
Deferred tax assets (Note 9)	—	24
Other assets	2,580	2,355
<b>TOTAL ASSETS</b>	<b>\$ 334,591</b>	<b>\$ 365,310</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 44,900	\$ 48,782
Deferred revenue	16,003	19,452
Accrued payroll and employee benefits	12,358	10,558
Current portion of accrued settlement (Note 13)	8,000	8,000
Current maturities of long-term debt (Note 7)	97	127
Other accrued liabilities	14,679	16,192
<b>Total current liabilities</b>	<b>96,037</b>	<b>103,111</b>
Long-term debt (Note 7)	71,592	91,752
Deferred tax liabilities (Note 9)	1,131	3,109
Long-term portion of accrued settlement (Note 13)	4,000	8,000
Long-term operating lease liabilities	12,312	14,163
Other long-term liabilities	7,391	7,577
Stockholders' equity:		
Common stock, par value \$0.01, authorized 20,000,000 shares; shares issued at September 30, 2023 and December 31, 2022, 11,115,779; shares outstanding at September 30, 2023 and December 31, 2022, 10,804,800 and 10,776,827, respectively	111	111
Paid-in capital	41,832	41,303
Retained earnings	125,063	123,169
Treasury stock - at cost, 310,979 and 338,952 common stock shares at September 30, 2023 and December 31, 2022, respectively	(5,062)	(6,240)
Accumulated other comprehensive loss	(20,123)	(21,165)
<b>Total L.B. Foster Company stockholders' equity</b>	<b>141,821</b>	<b>137,178</b>
Noncontrolling interest	307	420
<b>Total stockholders' equity</b>	<b>142,128</b>	<b>137,598</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 334,591</b>	<b>\$ 365,310</b>

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

L.B. FOSTER COMPANY AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(Unaudited)

(In thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Sales of goods	\$ 131,065	\$ 117,302	\$ 361,770	\$ 318,307
Sales of services	14,280	12,713	47,097	42,017
Total net sales	145,345	130,015	408,867	360,324
Cost of goods sold	103,061	93,737	282,195	258,913
Cost of services sold	14,060	13,181	42,905	38,574
Total cost of sales	117,121	106,918	325,100	297,487
Gross profit	28,224	23,097	83,767	62,837
Selling and administrative expenses	24,160	22,618	70,111	59,310
Amortization expense	1,379	1,599	4,119	4,454
Operating profit (loss)	2,685	(1,120)	9,537	(927)
Interest expense - net	1,442	993	4,404	1,747
Other expense (income) - net	917	168	3,463	(1,096)
Income (loss) before income taxes	326	(2,281)	1,670	(1,578)
Income tax (benefit) expense	(121)	(176)	(99)	137
Net income (loss)	447	(2,105)	1,769	(1,715)
Net loss attributable to noncontrolling interest	(68)	(28)	(125)	(82)
Net income (loss) attributable to L.B. Foster Company	\$ 515	\$ (2,077)	\$ 1,894	\$ (1,633)
Basic earnings (loss) per common share	\$ 0.05	\$ (0.20)	\$ 0.18	\$ (0.16)
Diluted earnings (loss) per common share	\$ 0.05	\$ (0.20)	\$ 0.17	\$ (0.16)

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

L.B. FOSTER COMPANY AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME  
(Unaudited)  
(In thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net income (loss)	\$ 447	\$ (2,105)	\$ 1,769	\$ (1,715)
Other comprehensive (loss) income, net of tax:				
Foreign currency translation adjustment	(1,651)	(4,341)	852	(8,933)
Unrealized gain on cash flow hedges, net of tax expense of \$0, \$217, \$0, and \$455, respectively	1	632	79	1,330
Cash flow hedges reclassified to earnings, net of tax expense of \$0, \$0, \$0, and \$66, respectively	—	—	—	93
Reclassification of pension liability adjustments to earnings, net of tax expense of \$1, \$8, \$5, and \$40, respectively*	42	50	123	149
Total comprehensive (loss) income	(1,161)	(5,764)	2,823	(9,076)
Less comprehensive (loss) income attributable to noncontrolling interest:				
Net loss attributable to noncontrolling interest	(68)	(28)	(125)	(82)
Foreign currency translation adjustment	(21)	(21)	12	3
Amounts attributable to noncontrolling interest	(89)	(49)	(113)	(79)
Comprehensive (loss) income attributable to L.B. Foster Company	\$ (1,072)	\$ (5,715)	\$ 2,936	\$ (8,997)

\* Reclassifications out of "Accumulated other comprehensive loss" for pension obligations are charged to "Selling and administrative expenses" within the Condensed Consolidated Statements of Operations.

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

L.B. FOSTER COMPANY AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Unaudited)  
(In thousands)

	Nine Months Ended September 30,	
	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income (loss)	\$ 1,769	\$ (1,715)
Adjustments to reconcile net income (loss) to cash used in operating activities:		
Deferred income taxes	(1,958)	(962)
Depreciation	7,449	6,083
Amortization	4,119	4,454
Equity in loss (income) of nonconsolidated investments	6	(38)
Gain on sales and disposals of property, plant, and equipment	(366)	(214)
Stock-based compensation	2,757	1,570
Loss (gain) on asset divestitures	3,074	(44)
Change in operating assets and liabilities:		
Accounts receivable	15,927	(23,760)
Contract assets	(261)	(1,037)
Inventories	(16,047)	(21,571)
Other current assets	1,108	2,309
Other noncurrent assets	(762)	2,468
Accounts payable	1,201	12,307
Deferred revenue	782	7,493
Accrued payroll and employee benefits	1,809	(417)
Accrued settlement	(4,000)	(4,000)
Other current liabilities	(1,044)	54
Other long-term liabilities	(253)	(1,816)
Net cash provided by (used in) operating activities	<u>15,310</u>	<u>(18,836)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from the sale of property, plant, and equipment	539	259
Capital expenditures on property, plant, and equipment	(2,784)	(4,559)
Proceeds from business dispositions	7,706	8,800
Acquisitions, net of cash acquired	337	(58,561)
Net cash provided by (used in) investing activities	<u>5,798</u>	<u>(54,061)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayments of debt	(150,115)	(128,771)
Proceeds from debt	129,853	197,926
Debt issuance costs	—	(182)
Treasury stock acquisitions	(1,193)	(405)
Investment of noncontrolling interest	334	—
Net cash (used in) provided by financing activities	<u>(21,121)</u>	<u>68,568</u>
Effect of exchange rate changes on cash and cash equivalents	100	(1,100)
Net increase (decrease) in cash and cash equivalents	87	(5,429)
Cash and cash equivalents at beginning of period	2,882	10,372
Cash and cash equivalents at end of period	<u>\$ 2,969</u>	<u>\$ 4,943</u>
Supplemental disclosure of cash flow information:		
Interest paid	<u>\$ 4,351</u>	<u>\$ 1,337</u>
Income taxes received	<u>\$ (271)</u>	<u>\$ (5,151)</u>

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

L.B. FOSTER COMPANY AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY  
(Unaudited)  
(Dollars in thousands)

**Three Months Ended September 30, 2023**

	Common Stock	Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total Stockholders' Equity
Balance, June 30, 2023	\$ 111	\$ 40,919	\$ 124,548	\$ (4,846)	\$ (18,536)	\$ 396	\$ 142,592
Net income (loss)	—	—	515	—	—	(68)	447
Other comprehensive income, net of tax:							
Pension liability adjustment	—	—	—	—	42	—	42
Foreign currency translation adjustment	—	—	—	—	(1,630)	(21)	(1,651)
Unrealized derivative gain on cash flow hedges	—	—	—	—	1	—	1
Purchase of 12,102 common shares for treasury	—	—	—	(216)	—	—	(216)
Issuance of 0 common shares, net of shares withheld for taxes	—	(15)	—	—	—	—	(15)
Stock-based compensation	—	928	—	—	—	—	928
Balance, September 30, 2023	\$ 111	\$ 41,832	\$ 125,063	\$ (5,062)	\$ (20,123)	\$ 307	\$ 142,128

**Three Months Ended September 30, 2022**

	Common Stock	Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total Stockholders' Equity
Balance, June 30, 2022	\$ 111	\$ 42,201	\$ 169,177	\$ (8,391)	\$ (22,547)	\$ 488	\$ 181,039
Net income (loss)	—	—	(2,077)	—	—	(28)	(2,105)
Other comprehensive loss, net of tax:							
Pension liability adjustment	—	—	—	—	50	—	50
Foreign currency translation adjustment	—	—	—	—	(4,341)	(21)	(4,362)
Unrealized derivative gain on cash flow hedges	—	—	—	—	632	—	632
Issuance of 605 common shares, net of shares withheld for taxes	—	20	—	40	—	—	60
Stock-based compensation	—	387	—	—	—	—	387
Balance, September 30, 2022	\$ 111	\$ 42,608	\$ 167,100	\$ (8,351)	\$ (26,206)	\$ 439	\$ 175,701

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

L.B. FOSTER COMPANY AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY  
(Unaudited)  
(Dollars in thousands)  
Nine Months Ended September 30, 2023

	Common Stock	Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total Stockholders' Equity
Balance, December 31, 2022	\$ 111	\$ 41,303	\$ 123,169	\$ (6,240)	\$ (21,165)	\$ 420	\$ 137,598
Net income (loss)	—	—	1,894	—	—	(125)	1,769
Other comprehensive income, net of tax:							
Pension liability adjustment	—	—	—	—	123	—	123
Foreign currency translation adjustment	—	—	—	—	840	12	852
Unrealized derivative gain on cash flow hedges	—	—	—	—	79	—	79
Purchase of 63,343 common shares for treasury	—	—	—	(878)	—	—	(878)
Issuance of 91,316 common shares, net of shares withheld for taxes	—	(2,228)	—	2,056	—	—	(172)
Stock-based compensation	—	2,757	—	—	—	—	2,757
Balance, September 30, 2023	\$ 111	\$ 41,832	\$ 125,063	\$ (5,062)	\$ (20,123)	\$ 307	\$ 142,128



## Nine Months Ended September 30, 2022

	Common Stock	Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total Stockholders' Equity
Balance, December 31, 2021	\$ 111	\$ 43,272	\$ 168,733	\$ (10,179)	\$ (18,845)	\$ 518	\$ 183,610
Net income (loss)	—	—	(1,633)	—	—	(82)	(1,715)
Other comprehensive (loss) income, net of tax:							
Pension liability adjustment	—	—	—	—	149	—	149
Foreign currency translation adjustment	—	—	—	—	(8,933)	3	(8,930)
Unrealized derivative gain on cash flow hedges	—	—	—	—	1,330	—	1,330
Cash flow hedges reclassified to earnings	—	—	—	—	93	—	93
Issuance of 61,212 common shares, net of shares withheld for taxes	—	(2,234)	—	1,828	—	—	(406)
Stock-based compensation	—	1,570	—	—	—	—	1,570
Balance, September 30, 2022	\$ 111	\$ 42,608	\$ 167,100	\$ (8,351)	\$ (26,206)	\$ 439	\$ 175,701

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

L.B. FOSTER COMPANY AND SUBSIDIARIES  
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)  
(Dollars in thousands, except share data)

**Note 1. Financial Statements**
*Basis of Presentation*

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. The year-end consolidated balance sheet data was derived from audited financial statements, but does not include all disclosures required by GAAP. In the opinion of management, all estimates and adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and nine months ended September 30, 2023 are not necessarily indicative of the results that may be expected for the year ending December 31, 2023. This Quarterly Report on Form 10-Q should be read in conjunction with the consolidated financial statements and footnotes thereto included in L.B. Foster Company’s Annual Report on Form 10-K for the year ended December 31, 2022. In this Quarterly Report on Form 10-Q, references to “we,” “us,” “our,” and the “Company” refer collectively to L.B. Foster Company and its consolidated subsidiaries.

**Note 2. Business Segments**

The Company is a global technology solutions provider of engineered, manufactured products and services that builds and supports infrastructure. The Company’s innovative engineering and product development solutions address the safety, reliability, and performance needs of its customers’ most challenging requirements. The Company maintains locations in North America, South America, Europe, and Asia. The Company’s segments represent components of the Company (a) that engage in activities from which revenue is generated and expenses are incurred, (b) whose operating results are regularly reviewed by the Chief Operating Decision Maker, who uses such information to make decisions about resources to be allocated to the segments, and (c) for which discrete financial information is available. Operating segments are evaluated on their segment profit contribution to the Company’s consolidated results. Other income and expenses, interest, income taxes, and certain other items are managed on a consolidated basis. The Company’s segment accounting policies are described in Note 2 Business Segments of the Notes to the Company’s Consolidated Financial Statements contained in its Annual Report on Form 10-K for the year ended December 31, 2022.

The operating results of the Company’s reportable segments were as follows for the periods presented:

	Three Months Ended September 30, 2023		Three Months Ended September 30, 2022	
	Net Sales	Segment Operating Profit (Loss)	Net Sales	Segment Operating Profit
Rail, Technologies, and Services	\$ 86,866	\$ 3,865	\$ 77,350	\$ 539
Precast Concrete Products	38,642	3,389	28,856	1,245
Steel Products and Measurement	19,837	(1,521)	23,809	303
Total	<u>\$ 145,345</u>	<u>\$ 5,733</u>	<u>\$ 130,015</u>	<u>\$ 2,087</u>

	Nine Months Ended September 30, 2023		Nine Months Ended September 30, 2022	
	Net Sales	Segment Operating Profit (Loss)	Net Sales	Segment Operating Profit (Loss)
Rail, Technologies, and Services	\$ 242,866	\$ 12,880	\$ 222,857	\$ 5,576
Precast Concrete Products	96,795	4,337	67,477	329
Steel Products and Measurement	69,206	(73)	69,990	(1,083)
Total	<u>\$ 408,867</u>	<u>\$ 17,144</u>	<u>\$ 360,324</u>	<u>\$ 4,822</u>

Segment profit (loss) from operations, as shown above, includes allocated corporate operating expenses. Operating expenses related to corporate headquarter functions that directly support the segment activity are allocated based on segment headcount, revenue contribution, or activity of the business units within the segments, based on the corporate activity type provided to the segment. The expense allocation excludes certain corporate costs that are separately managed from the segments.

The following table demonstrates a reconciliation of reportable segment net profit to the Company’s consolidated total for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Operating profit for reportable segments	\$ 5,733	\$ 2,087	\$ 17,144	\$ 4,822
Interest expense - net	(1,442)	(993)	(4,404)	(1,747)
Other (expense) income - net	(917)	(168)	(3,463)	1,096
Unallocated corporate expenses and other unallocated charges	(3,048)	(3,207)	(7,607)	(5,749)
Income (loss) before income taxes	<u>\$ 326</u>	<u>\$ (2,281)</u>	<u>\$ 1,670</u>	<u>\$ (1,578)</u>

The following table illustrates assets of the Company by reportable segment for the periods presented:

	September 30, 2023	December 31, 2022
Rail, Technologies, and Services	\$ 164,728	\$ 172,111
Precast Concrete Products	106,243	108,598
Steel Products and Measurement	36,481	54,516
Unallocated corporate assets	27,139	30,085
Total	<u>\$ 334,591</u>	<u>\$ 365,310</u>

On August 30, 2023, the Company announced the discontinuation of its Bridge Products grid deck product line. The Bedford, PA based operations supporting the product line are expected to cease in the fourth quarter of 2023. For the three months ended September 30, 2023 and 2022, the product line had \$283 and \$2,967 in sales, respectively, and for the nine months ended September 30, 2023 and 2022, the product line had \$3,749 and \$12,975 in sales, respectively. The Company incurred \$1,069 of exit costs recorded in “Other expense (income) - net,” which includes \$345 in inventory write-downs, \$462 in personnel expenses, and \$262 in other exit costs. The Company expects to incur an additional \$520 of personnel expenses associated with the exit through 2024. During the three months ended September 30, 2023 the Company also recorded a \$1,977 reduction in net sales and a \$3,051 reduction in gross profit stemming from changes in expected value of certain commercial projects associated with the exit of the product line. The grid deck product line was reported in the Bridge Products business unit within the Steel Products and Measurement segment.

On June 30, 2023, the Company sold substantially all the operating assets of the prestressed concrete railroad tie business operated by its wholly-owned subsidiary, CXT Incorporated (“Ties”), located in Spokane, WA, for \$2,362 in proceeds, subject to final working capital adjustments, generating a \$1,009 loss on the sale, which was recorded in “Other expense (income) - net.” The Ties business was reported in the Rail Products business unit within the Rail, Technologies, and Services segment.

On March 30, 2023, the Company sold substantially all the operating assets of its Precision Measurement Products and Systems business, Chemtec Energy Services LLC (“Chemtec”), for \$5,344 in proceeds, subject to final working capital adjustments, generating a \$2,065 loss on the sale, which was recorded in “Other expense (income) - net.” The Chemtec business was reported in the Coatings and Measurement business unit within the Steel Products and Measurement segment.

**Note 3. Revenue**

The following table summarizes the Company's net sales by major product and service category for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Rail Products and Global Friction Management	\$ 76,262	\$ 69,573	\$ 214,236	\$ 192,527
Technology Services and Solutions	10,604	7,777	28,630	30,330
Rail, Technologies, and Services	86,866	77,350	242,866	222,857
Precast Concrete Buildings	20,127	15,525	50,338	41,306
Precast Infrastructure Products	18,515	13,331	46,457	26,171
Precast Concrete Products	38,642	28,856	96,795	67,477
Fabricated Steel Products	14,218	15,300	39,589	45,871
Coatings and Measurement	5,619	8,509	29,617	24,119
Steel Products and Measurement	19,837	23,809	69,206	69,990
Total net sales	\$ 145,345	\$ 130,015	\$ 408,867	\$ 360,324

The majority of the Company's revenue is from products transferred and services rendered to customers at a point in time. The Company recognizes revenue at the point in time at which the customer obtains control of the product or service, which is generally when the product title passes to the customer upon shipment or the service has been rendered to the customer. In limited cases, title does not transfer and revenue is not recognized until the customer has received the products at a designated physical location.

Net sales by the timing of the transfer of goods and services was as follows for the periods presented:

	Three Months Ended September 30, 2023			
	Rail, Technologies, and Services	Precast Concrete Products	Steel Products and Measurement	Total
Point in time	\$ 72,246	\$ 18,516	\$ 20,018	\$ 110,780
Over time	14,620	20,126	(181)	34,565
Total net sales	\$ 86,866	\$ 38,642	\$ 19,837	\$ 145,345

	Three Months Ended September 30, 2022			
	Rail, Technologies, and Services	Precast Concrete Products	Steel Products and Measurement	Total
Point in time	\$ 64,913	\$ 13,331	\$ 20,871	\$ 99,115
Over time	12,437	15,525	2,938	30,900
Total net sales	\$ 77,350	\$ 28,856	\$ 23,809	\$ 130,015

	Nine Months Ended September 30, 2023			
	Rail, Technologies, and Services	Precast Concrete Products	Steel Products and Measurement	Total
Point in time	\$ 202,003	\$ 46,458	\$ 56,151	\$ 304,612
Over time	40,863	50,337	13,055	104,255
Total net sales	\$ 242,866	\$ 96,795	\$ 69,206	\$ 408,867

	Nine Months Ended September 30, 2022			
	Rail, Technologies, and Services	Precast Concrete Products	Steel Products and Measurement	Total
Point in time	\$ 179,951	\$ 26,171	\$ 56,897	\$ 263,019
Over time	42,906	41,306	13,093	97,305
Total net sales	\$ 222,857	\$ 67,477	\$ 69,990	\$ 360,324

During the three and nine months ended September 30, 2023, the Company recorded a \$1,977 reduction in net sales stemming from changes in expected value of certain commercial projects associated with the exit of the bridge grid deck product line.

The Company's performance obligations under long-term agreements with its customers are generally satisfied over time. Revenue under long-term agreements is at times recognized using an input measure based upon the proportion of actual costs incurred to estimated total project costs or an input measure based upon actual labor costs as a percentage of estimated total labor costs, depending upon which measure the Company believes best depicts its performance to date under the terms of the contract. The Company's revenue recognized over time under long-term agreements is also at times recognized using an output method, specifically units delivered, based upon certain customer acceptance and delivery requirements. The use of an input or an output measure to recognize revenue is determined based on what is most appropriate given the nature of the work performed and terms of the associated agreement.

Revenue recognized over time was as follows for the periods presented:

	Three Months Ended September 30,		Percentage of Total Net Sales Three Months Ended September 30,	
	2023	2022	2023	2022
Over time input method	\$ 12,642	\$ 14,380	8.7 %	11.1 %
Over time output method	21,923	16,520	15.1	12.7
Total over time sales	<u>\$ 34,565</u>	<u>\$ 30,900</u>	<u>23.8 %</u>	<u>23.8 %</u>

	Nine Months Ended September 30,		Percentage of Total Net Sales Nine Months Ended September 30,	
	2023	2022	2023	2022
Over time input method	\$ 44,577	\$ 53,791	10.9 %	14.9 %
Over time output method	59,678	43,514	14.6	12.1
Total over time sales	<u>\$ 104,255</u>	<u>\$ 97,305</u>	<u>25.5 %</u>	<u>27.0 %</u>

The timing of revenue recognition, billings, and cash collections results in billed receivables, costs in excess of billings (included in "Contract assets - net"), and billings in excess of costs (contract liabilities), included in "Deferred revenue" within the Condensed Consolidated Balance Sheets.

The following table sets forth the Company's contract assets:

	Contract Assets
Balance as of December 31, 2022	\$ 33,613
Net additions to contract assets	3,718
Transfers from contract asset balance to accounts receivable	(6,828)
Balance as of September 30, 2023	<u>\$ 30,503</u>

The following table sets forth the Company's contract liabilities:

	Contract Liabilities
Balance as of December 31, 2022	\$ 6,781
Revenue recognized from contract liabilities	(4,421)
Increase in billings in excess of cost, excluding revenue recognized	3,635
Other adjustments, including business divestiture	(1,904)
Balance as of September 30, 2023	<u>\$ 4,091</u>

The Company records provisions related to the allowance for credit losses associated with contract assets. Provisions are recorded based upon a specific review of individual contracts as necessary, and a standard provision over any remaining contract assets pooled together based on similar risk of credit loss. The development of these provisions is based on historical collection trends, accuracy of estimates within contract margin reporting, as well as the expectation that collection patterns and margin reporting will continue to adhere to patterns observed in recent years. These expectations are formed based on trends observed, as well as current and expected future conditions.

As of September 30, 2023, the Company had approximately \$243,219 of obligations under new contracts and remaining performance obligations, which is also referred to as backlog. Approximately 10.9% of the September 30, 2023 backlog was related to projects that are anticipated to extend beyond September 30, 2024.

#### Note 4. Goodwill and Other Intangible Assets

The following table presents the changes in goodwill balance by reportable segment for the period presented:

	Rail, Technologies, and Services	Precast Concrete Products	Steel Products and Measurement	Total
Balance as of December 31, 2022	\$ 19,948	\$ 10,785	\$ —	\$ 30,733
VanHooseCo acquisition	—	242	—	242
Foreign currency translation impact	(119)	—	—	(119)
Balance as of September 30, 2023	\$ 19,829	\$ 11,027	\$ —	\$ 30,856

The Company performs goodwill impairment tests annually during the fourth quarter, and also performs interim goodwill impairment tests if it is determined that it is more likely than not that the fair value of a reporting unit is less than the carrying amount. Qualitative factors are assessed to determine whether it is more likely than not that the fair value of a reporting unit is less than the carrying amount, which included the impacts of current economic conditions, including but not limited to labor markets, supply chains, and other inflationary costs. However, these factors can be unpredictable and are subject to change. No interim goodwill impairment test was required as a result of the evaluation of qualitative factors as of September 30, 2023. However, future impairment charges could result if future projections diverge unfavorably from current expectations.

As of September 30, 2023 and December 31, 2022, the components of the Company's intangible assets were as follows:

	September 30, 2023			
	Weighted Average Amortization Period In Years	Gross Carrying Value	Accumulated Amortization	Net Carrying Amount
Patents	10	\$ 330	\$ (194)	\$ 136
Customer relationships	16	27,276	(16,200)	11,076
Trademarks and trade names	16	7,942	(4,424)	3,518
Technology	13	32,474	(27,461)	5,013
Favorable lease	6	327	(64)	263
		\$ 68,349	\$ (48,343)	\$ 20,006

During the nine months ended September 30, 2023, certain fully amortized intangible assets of \$27 related to non-compete agreements were eliminated from gross intangible assets and accumulated amortization.

	December 31, 2022			
	Weighted Average Amortization Period In Years	Gross Carrying Value	Accumulated Amortization	Net Carrying Amount
Non-compete agreements	1	\$ 27	\$ (16)	\$ 11
Patents	10	330	(187)	143
Customer relationships	16	27,184	(14,129)	13,055
Trademarks and trade names	16	7,933	(3,989)	3,944
Technology	14	32,201	(25,827)	6,374
Favorable lease	6	327	(23)	304
		\$ 68,002	\$ (44,171)	\$ 23,831

On June 21, 2022, the Company acquired the stock of Skcratch Enterprises Ltd. ("Skcratch"). On August 12, 2022, the Company acquired the operating assets of VanHooseCo Precast LLC ("VanHooseCo"). As of September 30, 2023, the purchase accounting for these transactions is final. Purchase accounting adjustments recognized during the nine months ended September 30, 2023 were immaterial.

#### Note 5. Accounts Receivable

Changes in reserves for uncollectible accounts, which are recorded as part of "Selling and administrative expenses" in the Condensed Consolidated Statements of Operations, were recorded as an expense of \$763 and income of \$40 for the three months ended September 30, 2023 and 2022, respectively, and an expense of \$1,174 and \$171 for the nine months ended September 30, 2023 and 2022, respectively.

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The Company establishes the allowance for credit losses based on historical collection patterns and other subjective conditions as necessary, including current and expected market conditions. Trade receivables are pooled based on age, which groups receivables of similar credit risk together. Management maintains stringent credit review practices and works to maintain positive customer relationships to further mitigate credit risk.

The following table sets forth the Company's allowance for credit losses:

	Allowance for Credit Losses
Balance as of December 31, 2022	\$ 813
Current period provision	1,174
Write-off against allowance	(244)
Balance as of September 30, 2023	\$ 1,743

### **Note 6. Inventory**

Inventory is valued at average cost or net realizable value, whichever is lower. The Company's components of inventory as of September 30, 2023 and December 31, 2022 are summarized in the following table:

	September 30, 2023	December 31, 2022
Finished goods	\$ 46,740	\$ 41,431
Work-in-process	8,673	9,693
Raw materials	26,607	24,597
Inventories - net	\$ 82,020	\$ 75,721

### **Note 7. Long-Term Debt and Related Matters**

Long-term debt consisted of the following:

	September 30, 2023	December 31, 2022
Revolving credit facility	\$ 71,476	\$ 91,567
Finance leases and financing agreements	213	312
Total	71,689	91,879
Less current maturities	(97)	(127)
Long-term portion	\$ 71,592	\$ 91,752

On August 13, 2021, the Company, its domestic subsidiaries, and certain of its Canadian and United Kingdom subsidiaries (collectively, the "Borrowers"), entered into the Fourth Amended and Restated Credit Agreement (the "Credit Agreement") with PNC Bank, N.A., Citizens Bank, N.A., Wells Fargo Bank, National Association, Bank of America, N.A., and BMO Harris Bank, National Association. The Credit Agreement, as amended, modifies the prior revolving credit facility, as amended, on terms more favorable to the Company and extends the maturity from April 30, 2024 to August 13, 2026. The Credit Agreement provides for a five-year, revolving credit facility that permits aggregate borrowings of the Borrowers up to \$130,000 with a sublimit of the equivalent of \$25,000 U.S. dollars that is available to the Canadian and United Kingdom borrowers in the aggregate. The Credit Agreement's incremental loan feature permits the Company to increase the available commitments under the facility by up to an additional \$50,000 subject to the Company's receipt of increased commitments from existing or new lenders and the satisfaction of certain conditions.

Borrowings under the Credit Agreement, as amended, will bear interest at rates based upon either the base rate or SOFR rate plus applicable margins. The Credit Agreement includes two financial covenants: (a) Maximum Gross Leverage Ratio, defined as the Company's consolidated Indebtedness (as defined in the Credit Agreement) divided by the Company's consolidated EBITDA, which must not exceed (i) 3.25 to 1.00 for all testing periods other than during an Acquisition Period (as defined in the Credit Agreement), and (ii) 3.50 to 1.00 for all testing periods occurring during an Acquisition Period, and (b) Minimum Consolidated Fixed Charge Coverage Ratio, defined as the Company's consolidated EBITDA divided by the Company's Fixed Charges (as defined in the Credit Agreement), which must be more than 1.05 to 1.00.

On August 12, 2022, the Company entered into a second amendment to its Credit Agreement ("Second Amendment") to obtain approval for the acquisition of VanHooseCo Precast, LLC ("VanHooseCo") and temporarily modify certain financial covenants to accommodate the transaction. The Second Amendment permitted the Company to acquire the operating assets of VanHooseCo and modified the Maximum Gross Leverage Ratio covenant through June 30, 2023 to accommodate the transaction.

As of September 30, 2023, the Company was in compliance with the covenants in the Credit Agreement, as amended, and had outstanding letters of credit of approximately \$2,544.

### Note 8. Earnings Per Common Share

(Share amounts in thousands)

The following table sets forth the computation of basic and diluted earnings (loss) per common share for the periods indicated:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
<b>Numerator for basic and diluted earnings per common share:</b>				
Net income (loss) attributable to L.B. Foster Company	\$ 515	\$ (2,077)	\$ 1,894	\$ (1,633)
<b>Denominator:</b>				
Weighted average shares outstanding	10,813	10,731	10,804	10,710
Denominator for basic earnings (loss) per common share	10,813	10,731	10,804	10,710
<b>Effect of dilutive securities:</b>				
Stock compensation plans	160	—	91	—
Dilutive potential common shares	160	—	91	—
Denominator for diluted earnings (loss) per common share - adjusted weighted average shares outstanding	10,973	10,731	10,895	10,710
Basic earnings (loss) per common share	\$ 0.05	\$ (0.20)	\$ 0.18	\$ (0.16)
Diluted earnings (loss) per common share	\$ 0.05	\$ (0.20)	\$ 0.17	\$ (0.16)

There were 109 and 108 anti-dilutive shares for the three and nine months ended September 30, 2022, respectively, excluded from the calculation.

### Note 9. Income Taxes

For the three months ended September 30, 2023 and 2022, the Company recorded an income tax benefit of \$121 and \$176, respectively, on pre-tax income of \$326 and pre-tax losses of \$2,281, respectively, for an effective income tax rate of (37.1%) and 7.7%, respectively. For the nine months ended September 30, 2023 and 2022, the Company recorded an income tax benefit of \$99 and income tax expense of \$137, respectively, on pre-tax income of \$1,670 and pre-tax losses of \$1,578, respectively, for an effective income tax rate of (5.9%) and (8.7%), respectively. The Company's effective income tax rate for the three and nine months ended September 30, 2023 differed from the federal statutory rate of 21% primarily due to changes in the valuation allowance established against U.S. and United Kingdom deferred tax assets. Changes in pre-tax income projections, combined with the seasonal nature of our businesses, could also impact the effective income tax rate each quarter.

### Note 10. Stock-Based Compensation

The Company recorded stock-based compensation expense of \$928 and \$387 for the three months ended September 30, 2023 and 2022, respectively, and \$2,757 and \$1,570 for the nine months ended September 30, 2023 and 2022, respectively, related to restricted stock awards and performance share units. As of September 30, 2023, unrecognized compensation expense for awards that the Company expects to vest approximated \$6,059. The Company will recognize this unrecognized compensation expense over the upcoming 2.4 years through March 1, 2026.

Shares issued as a result of vested stock-based compensation awards generally will be issued from previously issued shares that have been reacquired by the Company and held as treasury stock or authorized and previously unissued common stock.

### Restricted Stock, Performance Share Units, and Performance-Based Stock Awards

Under the 2022 Equity and Incentive Compensation Plan, as amended, successor to the 2006 Omnibus Plan, the Company grants eligible employees restricted stock and performance share units. The forfeitable restricted stock awards granted generally time-vest ratably over a three-year period, unless indicated otherwise by the underlying restricted stock award agreement. Awards of restricted stock are subject to a minimum one-year vesting period, including those granted to non-employee directors. Performance share units are offered annually under separate three-year long-term incentive programs. Performance share units are subject to forfeiture and will be converted into common stock of the Company based upon the Company's performance relative to performance measures and conversion multiples, as defined in the underlying program. The Company has, on occasion, issued performance share units with longer performance periods as incentivization and retention tools. If the Company's estimate of the number of performance share units



expected to vest changes in a subsequent accounting period, cumulative compensation expense could increase or decrease. The change will be recognized in the current period for the vested shares and would change future expense over the remaining vesting period.

Since 2017, non-employee directors have been permitted to defer receipt of annual stock awards and equity elected to be received in lieu of quarterly cash compensation. If so elected, these deferred stock units will be issued as common stock six months after separation from their service on the Board of Directors. Since 2018, no non-employee directors have elected the option to receive deferred stock units of the Company's common stock in lieu of director cash compensation.

In February 2023, the Compensation Committee approved the 2023-2025 Long Term Incentive Plan which includes grants of performance share units and restricted stock. The following table summarizes the restricted stock, deferred stock units, and performance-based stock and share unit activity for the nine months ended September 30, 2023:

	Restricted Stock	Deferred Stock Units	Performance-Based Stock and Share Units	Weighted Average Grant Date Fair Value
Outstanding as of December 31, 2022	174,173	46,268	108,478	\$ 17.77
Granted	181,914	—	367,558	11.78
Vested	(88,367)	(33,864)	—	15.97
Adjustment for incentive awards expected to vest	—	—	20,104	15.36
Cancelled and forfeited	(2,750)	—	—	14.46
Outstanding as of September 30, 2023	264,970	12,404	496,140	\$ 14.20

### Note 11. Fair Value Measurements

The Company determines the fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy includes three levels of inputs that may be used to measure fair value as described below:

- Level 1: Observable inputs that reflect unadjusted quoted market prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs that are not corroborated by market data.

The classification of a financial asset or liability within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

*Cash equivalents* - Included in "Cash and cash equivalents" within the Condensed Consolidated Balance Sheets are investments in non-domestic term deposits. The carrying amounts approximate fair value because of the short maturity of the instruments.

*SOFR-based interest rate swaps* - To reduce the impact of interest rate changes on outstanding variable-rate debt, the Company amended and entered into forward-starting SOFR-based interest rate swaps with notional values totaling \$20,000 and \$20,000 effective August 12, 2022 and August 31, 2022, respectively. The fair value of the interest rate swaps are based on market-observable forward interest rates and represents the estimated amount that the Company would pay to terminate the agreements. As such, the swap agreements are classified as Level 2 within the fair value hierarchy. As of September 30, 2023 and December 31, 2022, the interest rate swaps were recorded in "Other current assets" when the interest rate swaps' fair market value are in an asset position, and "Other accrued liabilities" when in a liability position within our Condensed Consolidated Balance Sheets.

	Fair Value Measurements at Reporting Date				Fair Value Measurements at Reporting Date			
	September 30, 2023	Level 1	Level 2	Level 3	December 31, 2022	Level 1	Level 2	Level 3
Term deposits	\$ —	\$ —	\$ —	\$ —	\$ 17	\$ 17	\$ —	\$ —
Interest rate swaps	2,009	—	2,009	—	1,930	—	1,930	—
Total assets	\$ 2,009	\$ —	\$ 2,009	\$ —	\$ 1,947	\$ 17	\$ 1,930	\$ —

The \$20,000 interest rate swap agreements that became effective August 2022 are accounted for as cash flow hedges and the objective of the hedges is to offset the expected interest variability on payments associated with the interest rate on our debt. The gains and losses related to the interest rate swaps are reclassified from "Accumulated other comprehensive loss" in our Condensed Consolidated

Balance Sheets and included in “Interest expense - net” in our Condensed Consolidated Statements of Operations as the interest expense from our debt is recognized.

For the three months ended September 30, 2023, the Company recognized interest income of \$329 from interest rate swaps. For the nine months ended September 30, 2023 and 2022, the Company recognized interest income and interest expense of \$869 and \$78, respectively, from interest rate swaps.

## Note 12. Retirement Plans

### Retirement Plans

The Company has three retirement plans that cover its hourly and salaried employees in the United States: one defined benefit plan, which is frozen, and two defined contribution plans. Employees are eligible to participate in the appropriate plan based on employment classification. The Company’s contributions to the defined benefit and defined contribution plans are governed by the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) and the Company’s policy and investment guidelines applicable to each respective plan. The Company’s policy is to contribute at least the minimum in accordance with the funding standards of ERISA.

The Company maintains one defined contribution plan for its employees in Canada. In the United Kingdom, the Company maintains two defined contribution plans and a defined benefit plan, which is frozen. These plans are discussed in further detail below.

### United States Defined Benefit Plan

Net periodic pension costs for the United States defined benefit pension plan for the three and nine months ended September 30, 2023 and 2022 were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Interest cost	\$ 71	\$ 49	\$ 214	\$ 146
Expected return on plan assets	(64)	(66)	(192)	(198)
Recognized net actuarial loss	16	18	47	53
Net periodic pension cost	\$ 23	\$ 1	\$ 69	\$ 1

The Company has made contributions to its United States defined benefit plan of \$176 during the nine months ended September 30, 2023 and expects to make total contributions of approximately \$400 during 2023.

### United Kingdom Defined Benefit Plan

Net periodic pension costs for the United Kingdom defined benefit pension plan for the three and nine months ended September 30, 2023 and 2022 were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Interest cost	\$ 56	\$ 42	\$ 168	\$ 126
Expected return on plan assets	(84)	(74)	(252)	(222)
Amortization of prior service costs and transition amount	6	6	18	18
Recognized net actuarial loss	3	38	9	114
Net periodic pension (income) cost	\$ (19)	\$ 12	\$ (57)	\$ 36

United Kingdom regulations require trustees to adopt a prudent approach to funding required contributions to defined benefit pension plans. For the nine months ended September 30, 2023, the Company contributed approximately \$260 to the plan. The Company anticipates total contributions of approximately \$347 to the United Kingdom pension plan during 2023.

### Defined Contribution Plans

The Company sponsors five defined contribution plans for hourly and salaried employees across its domestic and international facilities. The following table summarizes the expense associated with the contributions made to these plans for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
United States	\$ 728	\$ 441	\$ 2,135	\$ 1,136
Canada	36	83	131	143
United Kingdom	294	588	881	588
	<u>\$ 1,058</u>	<u>\$ 1,112</u>	<u>\$ 3,147</u>	<u>\$ 1,867</u>

### Note 13. Commitments and Contingent Liabilities

#### Product Liability Claims

The Company is subject to product warranty claims that arise in the ordinary course of its business. For certain manufactured products, the Company maintains a product warranty accrual, which is adjusted on a monthly basis as a percentage of cost of sales. In addition, the product warranty accrual is adjusted periodically based on the identification or resolution of known individual product warranty claims.

#### Union Pacific Railroad (“UPRR”) Concrete Tie Matter

On March 13, 2019, the Company and its subsidiary, CXT Incorporated (“CXT”), entered into a Settlement Agreement (the “Settlement Agreement”) with UPRR to resolve the then-pending litigation in the matter of *Union Pacific Railroad Company v. L.B. Foster Company and CXT Incorporated*, Case No. CI 15-564, in the District Court for Douglas County, Nebraska.

Under the Settlement Agreement, the Company and CXT will pay UPRR the aggregate amount of \$50,000 without pre-judgment interest, which began with a \$2,000 immediate payment, and with the remaining \$48,000 paid in installments over a six-year period commencing on the effective date of the Settlement Agreement through December 2024 pursuant to a Promissory Note. Additionally, commencing in January 2019 and through December 2024, UPRR agreed to purchase and has been purchasing from the Company and its subsidiaries and affiliates, a cumulative total amount of \$48,000 of products and services, targeting \$8,000 of annual purchases per year beginning March 13, 2019, per letters of intent under the Settlement Agreement. During the third quarter of 2021, in connection with the Company’s divestiture of its Piling Products division, the targeted annual purchases per year have been reduced to \$6,000 for 2021 through 2024. The Settlement Agreement also includes a mutual release of all claims and liability regarding or relating to all CXT pre-stressed concrete railroad ties with no admission of liability and dismissal of the litigation with prejudice.

The expected payments under the UPRR Settlement Agreement for the remainder of the year ending December 31, 2023 and thereafter are as follows:

#### Year Ending December 31,

Remainder of 2023	\$ 4,000
2024	8,000
Total	<u>\$ 12,000</u>

#### Environmental and Legal Proceedings

The Company is subject to national, state, foreign, provincial, and/or local laws and regulations relating to the protection of the environment. The Company’s efforts to comply with environmental regulations may have an adverse effect on its future earnings.

On June 5, 2017, a General Notice Letter was received from the United States Environmental Protection Agency (“EPA”) indicating that the Company may be a potentially responsible party (“PRP”) regarding the Portland Harbor Superfund Site cleanup along with numerous other companies. More than 140 other companies received such a notice. The Company and a predecessor owned and operated a facility near the harbor site for a period prior to 1982. The net present value and undiscounted costs of the selected remedy throughout the harbor site are estimated by the EPA to be approximately \$1.1 billion and \$1.7 billion, respectively, and the remedial work is expected to take as long as 13 years to complete. These costs may increase given that the remedy will not be initiated or completed for several years. The Company is reviewing the basis for its identification by the EPA and the nature of the historic operations of a Company predecessor near the site. Additionally, the Company executed a PRP agreement which provides for a private allocation process among almost 100 PRPs in a working group whose work is ongoing and involves a process that will ultimately conclude a proposed allocation of liability for cleanup of the site and various sub-areas. The Company does not have any individual risk sharing agreements in place with respect to the site, and was only associated with the site from 1976 to when it purchased the stock of a company whose assets it sold in 1982 and which was dissolved in 1994. On March 26, 2020, the EPA issued a Unilateral

Administrative Order to two parties requiring them to perform remedial design work for that portion of the Harbor Superfund Site that includes the area closest to the facility; the Company was not a recipient of this Unilateral Administrative Order. The Company cannot predict the ultimate impact of these proceedings because of the large number of PRPs involved throughout the harbor site, the size and extent of the site, the degree of contamination of various wastes, varying environmental impacts throughout the harbor site, the scarcity of data related to the facility once operated by the Company and a predecessor, potential comparative liability between the allocation parties and regarding non-participants, and the speculative nature of the remediation costs. Based upon information currently available, management does not believe that the Company's alleged PRP status regarding the Portland Harbor Superfund Site or other compliance with the present environmental protection laws will have a material adverse effect on the financial condition, results of operations, cash flows, competitive position, or capital expenditures of the Company. As more information develops and the allocation process is completed, and given the resolution of factors like those described above, an unfavorable resolution could have a material adverse effect. As of September 30, 2023 and December 31, 2022, the Company maintained environmental reserves approximating \$2,426 and \$2,472, respectively.

The Company is also subject to other legal proceedings and claims that arise in the ordinary course of its business. Legal actions are subject to inherent uncertainties, and future events could change management's assessment of the probability or estimated amount of potential losses from pending or threatened legal actions. Based on available information, it is the opinion of management that the ultimate resolution of pending or threatened legal actions, both individually and in the aggregate, will not result in losses having a material adverse effect on the Company's financial position or liquidity as of September 30, 2023.

If management believes that, based on available information, it is at least reasonably possible that a material loss (or additional material loss in excess of any accrual) will be incurred in connection with any legal actions, the Company discloses an estimate of the possible loss or range of loss, either individually or in the aggregate, as appropriate, if such an estimate can be made, or discloses that an estimate cannot be made. Based on the Company's assessment as of September 30, 2023, no such disclosures were considered necessary.

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations****(Dollars in thousands, except share data)****Forward-Looking Statements**

This Quarterly Report on Form 10-Q contains "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Many of the forward-looking statements provide management's current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. Sentences containing words such as "believe," "intend," "plan," "may," "expect," "should," "could," "anticipate," "estimate," "predict," "project," or their negatives, or other similar expressions of a future or forward-looking nature generally should be considered forward-looking statements. Forward-looking statements in this Quarterly Report on form 10-Q are based on management's current expectations and assumptions about future events that involve inherent risks and uncertainties and may concern, among other things, the Company's expectations relating to our strategy, goals, projections, and plans regarding our financial position, liquidity, capital resources, and results of operations and decisions regarding our strategic growth initiatives, market position, and product development. While the Company considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory, and other risks and uncertainties, most of which are difficult to predict and many of which are beyond the Company's control. The Company cautions readers that various factors could cause the actual results of the Company to differ materially from those indicated by forward-looking statements. Accordingly, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Among the factors that could cause the actual results to differ materially from those indicated in the forward-looking statements are risks and uncertainties related to: any future global health crises, and the related social, regulatory, and economic impacts and the response thereto by the Company, our employees, our customers, and national, state, or local governments; a continuation or worsening of the adverse economic conditions in the markets we serve, including recession, the continued volatility in the prices for oil and gas, governmental travel restrictions, project delays, and budget shortfalls, or otherwise; volatility in the global capital markets, including interest rate fluctuations, which could adversely affect our ability to access the capital markets on terms that are favorable to us; restrictions on our ability to draw on our credit agreement, including as a result of any future inability to comply with restrictive covenants contained therein; a decrease in freight or transit rail traffic; environmental matters, including any costs associated with any remediation and monitoring of such matters; the risk of doing business in international markets, including compliance with anti-corruption and bribery laws, foreign currency fluctuations and inflation, and trade restrictions or embargoes; our ability to effectuate our strategy, including cost reduction initiatives, and our ability to effectively integrate acquired businesses or to divest businesses, such as the recent dispositions of the Track Components, Chemtec, and Ties businesses, and acquisitions of the Skratz Enterprises Ltd., Intelligent Video Ltd., and VanHooseCo Precast LLC businesses and to realize anticipated benefits; costs of and impacts associated with shareholder activism; the timeliness and availability of materials from our major suppliers, as well as the impact on our access to supplies of customer preferences as to the origin of such supplies, such as customers' concerns about conflict minerals; labor disputes; cybersecurity risks such as data security breaches, malware, ransomware, "hacking," and identity theft, which could disrupt our business and may result in misuse or misappropriation of confidential or proprietary information, and could result in the disruption or damage to our systems, increased costs and losses, or an adverse effect to our reputation; the continuing effectiveness of our ongoing implementation of an enterprise resource planning system; changes in current accounting estimates and their ultimate outcomes; the adequacy of internal and external sources of funds to meet financing needs, including our ability to negotiate any additional necessary amendments to our credit agreement or the terms of any new credit agreement, and reforms regarding the use of SOFR as a benchmark for establishing applicable interest rates; the Company's ability to manage its working capital requirements and indebtedness; domestic and international taxes, including estimates that may impact taxes; domestic and foreign government regulations, including tariffs; economic conditions and regulatory changes caused by the United Kingdom's exit from the European Union; geopolitical conditions, including the conflict in Ukraine and Israel; a lack of state or federal funding for new infrastructure projects; an increase in manufacturing or material costs; the loss of future revenues from current customers; and risks inherent in litigation and the outcome of litigation and product warranty claims. Should one or more of these risks or uncertainties materialize, or should the assumptions underlying the forward-looking statements prove incorrect, actual outcomes could vary materially from those indicated. Significant risks and uncertainties that may affect the operations, performance, and results of the Company's business and forward-looking statements include, but are not limited to, those set forth under Item 1A, "Risk Factors," and elsewhere in our Annual Report on Form 10-K for the year ended December 31, 2022, or as updated and/or amended by our other current or periodic filings with the Securities and Exchange Commission.

The forward-looking statements in this report are made as of the date of this report and we assume no obligation to update or revise any forward-looking statement, whether as a result of new information, future developments, or otherwise, except as required by the federal securities laws.

## General Overview and Business Update

### Results of the Quarter

	Three Months Ended September 30,		Change
	2023	2022	2023 vs. 2022
Net sales	\$ 145,345	\$ 130,015	\$ 15,330
Gross profit	28,224	23,097	5,127
Gross profit margin	19.4 %	17.8 %	160 bps
Expenses:			
Selling and administrative expenses	\$ 24,160	\$ 22,618	\$ 1,542
Selling and administrative expenses as a percent of sales	16.6 %	17.4 %	(80) bps
Amortization expense	1,379	1,599	(220)
Operating profit (loss)	\$ 2,685	\$ (1,120)	\$ 3,805
Operating profit (loss) margin	1.8 %	(0.9)%	270 bps
Interest expense - net	\$ 1,442	\$ 993	\$ 449
Other expense - net	917	168	749
Income (loss) before income taxes	\$ 326	\$ (2,281)	\$ 2,607
Income tax benefit	(121)	(176)	55
Net income (loss)	\$ 447	\$ (2,105)	\$ 2,552
Net loss attributable to noncontrolling interest	(68)	(28)	(40)
Net income (loss) attributable to L.B. Foster Company	\$ 515	\$ (2,077)	\$ 2,592
Diluted earnings (loss) per common share	\$ 0.05	\$ (0.20)	\$ 0.25

L.B. Foster Company is a global technology solutions provider of engineered, manufactured products and services that builds and supports infrastructure. The Company's innovative engineering and product development solutions address the safety, reliability, and performance needs of its customers' most challenging requirements. The Company maintains locations in North America, South America, Europe, and Asia. The Company is organized and operates in three reporting segments: Rail, Technologies, and Services, Precast Concrete Products, and Steel Products and Measurement.

On August 30, 2023, the Company announced the discontinuation of its Bridge Products grid deck product line which was reported in the Fabricated Steel Products business unit within the Steel Products and Measurement segment. The Bedford, PA based operations supporting the product line are expected to cease in the fourth quarter of 2023. For the three months ended September 30, 2023 and 2022, the product line had \$283 and \$2,967 in sales, respectively, and for the nine months ended September 30, 2023 and 2022, the product line had \$3,749 and \$12,975 in sales, respectively. The decision to exit the bridge grid deck product line is a result of a weak bridge grid deck market condition and outlook due to customer adoption of newer technologies replacing the grid deck solution. During the three months ended September 30, 2023, the Company incurred \$1,069 of exit costs recorded in "Other expense (income) - net," which included \$345 in inventory write-downs, \$462 in personnel expenses, and \$262 in other exit costs. The Company expects to incur an additional \$520 of personnel expenses associated with the exit through 2024. During the three months ended September 30, 2023 the Company also recorded a \$1,977 reduction in net sales and a \$3,051 reduction in gross profit stemming from changes in expected value of certain commercial projects associated with the exit of the bridge grid deck product line.

### Acquisition and Divestiture Summary

On June 21, 2022, the Company acquired the stock of Skratch Enterprises Ltd. ("Skratch") for \$7,402, which is inclusive of deferred payments withheld by the Company of \$1,228, to be paid over the five years following the transaction or utilized to satisfy post-closing working capital adjustments or indemnity claims under the purchase agreement. Skratch is an industry leader in digital system integration with expertise in advanced digital display technologies and capabilities currently serving retail markets in the United Kingdom. Skratch is reported within the Technology Services and Solutions business unit in the Rail, Technologies, and Services segment.

On August 1, 2022, the Company sold substantially all the operating assets of its Track Components business. Cash proceeds from the transaction were \$7,795, subject to indemnification obligations and working capital adjustments and a loss on sale of \$467 was recorded in "Other expense (income) - net." The Track Components business was reported in the Rail Products business unit within the Rail, Technologies, and Services segment.

On August 12, 2022, the Company acquired the operating assets of VanHooseCo Precast, LLC (“VanHooseCo”), a business specializing in precast concrete walls, water management products, and forms for the commercial and residential infrastructure markets for \$52,146 net of cash acquired. VanHooseCo is included in the Company’s Precast Concrete Products segment.

On March 30, 2023, the Company sold substantially all the operating assets of its Chemtec Energy Services LLC (“Chemtec”) business for \$5,344 in proceeds, subject to final working capital adjustments, generating a \$2,065 loss on sale, recorded in “Other expense (income) - net” for the nine months ended September 30, 2023. The Chemtec business was reported in the Coatings and Measurement business unit within the Steel Products and Measurement segment.

On June 30, 2023, the Company sold substantially all the operating assets of the prestressed concrete railroad tie business operated by its wholly-owned subsidiary, CXT Incorporated (“Ties”), located in Spokane, WA, for \$2,362 in proceeds, subject to final working capital adjustments, generating a \$1,009 loss on the sale, which was recorded in “Other expense (income) - net” for the nine months ended September 30, 2023. The Ties business was reported in the Rail Products business unit within the Rail, Technologies, and Services segment.

## Results Summary

Net sales of \$145,345 for the three months ended September 30, 2023, increased by \$15,330, or 11.8%, over the prior year quarter. The change in sales is due in part to the acquisition of VanHooseCo, offset by the divestiture of the Ties, Chemtec, and Track Components businesses. Net sales for the three months ended September 30, 2023 included a \$1,977 reduction stemming from changes in expected value of certain commercial projects associated with the exit of the bridge grid deck product line within the Steel Products and Measurement segment. Net sales for the three months ended September 30, 2022 included a \$3,956 reduction from the settlement of certain long-term commercial contracts related to the multi-year Crossrail project in the Company’s Technology Services and Solutions business in the United Kingdom. Organic growth and acquisitions drove a 14.5% and 2.2% increase in sales over the prior year quarter, respectively, with an offsetting 4.8% decline from divestitures.

Gross profit for the three months ended September 30, 2023 was \$28,224, an increase of \$5,127 over the prior year quarter, or 22.2%, and gross profit margins expanded by 160 basis points to 19.4%. The improvement in gross profit was due to the portfolio changes that are a part of the Company’s strategic transformation, along with an uplift from increased sales volumes, product mix, and pricing. Gross profit for the three months ended September 30, 2023 included a reduction in profitability of \$3,051 related to changes in expected value of certain commercial projects associated with the exit of the bridge grid deck product line in the Steel Products and Measurement segment. Gross profit for the three months ended September 30, 2022 included a non-routine adverse impact of \$3,956 associated with the settlement of certain long-term commercial contracts related to the multi-year Crossrail project in the Company’s Technology Services and Solutions business in the United Kingdom, and expense of \$851 associated with a purchase accounting adjustment related to acquired inventory from the acquisition of VanHooseCo within the Precast Concrete Products segment.

Selling and administrative expenses for the three months ended September 30, 2023 increased by \$1,542, or 6.8%, from the prior year quarter, due primarily to increased personnel costs as well as a bad debt provision charge of \$866 in the Rail, Technologies, and Services segment due to a customer in the United Kingdom that filed for administrative protection. The Company will continue to evaluate the collectibility of this account and will adjust the provision as required. Selling and administrative expenses as a percent of net sales were 16.6% versus 17.4% in the prior year quarter.

Other expense - net for the three months ended September 30, 2023 and 2022 was \$917 and \$168, respectively. Other expense - net for the three months ended September 30, 2023 was due to \$1,069 in costs incurred from the exit of the bridge grid deck product line, which included \$345 in inventory write-downs, \$462 in personnel expenses, and \$262 in other exit costs. The Company expects to incur an additional \$520 of personnel expenses associated with the exit through 2024. Other expense - net for the three months ended September 30, 2022 was due to the \$447 loss on the sale of Track Components, partially offset by foreign currency revaluation gains.

The Company’s effective income tax rate for the three months ended September 30, 2023 was (37.1)%, compared to 7.7% in the prior year quarter. The Company’s effective income tax rate for the three months ended September 30, 2023 differed from the federal statutory of 21% primarily due to changes in the valuation allowance established against U.S. and United Kingdom deferred tax assets. The Company maintains a valuation allowance against its U.S. and United Kingdom deferred tax assets, which is likely to result in significant variability of the effective tax rate in the current year.

Net income for the three months ended September 30, 2023 attributable to the Company was \$515, or \$0.05 per diluted share, favorable by \$2,592, or \$0.25 per diluted share, from the prior year quarter. Net income for the three months ended September 30, 2023 was primarily driven by increased sales volumes and gross profit expansion partially offset by an increase in selling and administrative expenses and \$4,120 in exit costs impacting both gross profit and other expense - net incurred from the exit of the bridge grid deck product line.

The Company continues to execute its strategic transformation into a technology-focused, high growth infrastructure solutions provider, as evidenced by the number of recent portfolio actions taken which further reduces the Company's commoditized offerings to allow for increased focus on its core growth platforms, rail technologies and precast concrete, as well as organic growth initiatives, debt reduction, and improving shareholder value.

## Results of Operations - Segment Analysis

### Third Quarter 2023 Compared to Third Quarter 2022

#### Rail, Technologies, and Services

	Three Months Ended September 30,		Change 2023 vs. 2022	Percent Change 2023 vs. 2022
	2023	2022		
Net sales	\$ 86,866	\$ 77,350	\$ 9,516	12.3 %
Gross profit	\$ 17,229	\$ 13,376	\$ 3,853	28.8 %
Gross profit margin	19.8 %	17.3 %	2.5 %	14.7 %
Segment operating profit	\$ 3,865	\$ 539	\$ 3,326	**
Segment operating profit margin	4.4 %	0.7 %	3.7 %	**

\*\* Results of the calculation are not considered meaningful for presentation purposes.

The Rail, Technologies, and Services segment sales for the three months ended September 30, 2023 increased by \$9,516, or 12.3%, compared to the prior year quarter. Net sales increased by 14.9% organically, partially offset by a 2.6% decrease from the divestitures of Track Components and Ties. Each of the three business units, Rail Products, Global Friction Management, and Technology Services and Solutions, had an increase in sales from the prior year quarter. The Rail Products and Global Friction Management sales increase was driven by strength in domestic markets served. The sales increase for Technology Services and Solutions was driven by an unfavorable settlement adjustment of \$3,956 included in the prior year quarter for certain long-term commercial contracts related to the multi-year Crossrail project, partially offset by a decline in volumes, specifically in our United Kingdom business, in the current quarter.

The Rail, Technologies, and Services segment gross profit increased by \$3,853, or 28.8% over the prior year quarter, and gross profit margins expanded 250 basis points to 19.8%. Gross profit improvement in Rail Products is due to the portfolio changes implemented as part of the Company's strategic transformation, higher volumes, and improved pricing. The gross profit improvement in Global Friction Management was commensurate with higher sales levels. Gross profit improvement in Technology Services and Solutions is due to the adverse impact of \$3,956 for certain long-term commercial contracts related to the multi-year Crossrail project incurred in the prior year quarter, offset by lower current quarter gross profit in the in the United Kingdom businesses, driven by unfavorable business mix and ongoing commercial weakness in the United Kingdom market. Operating profit was \$3,865, a \$3,326 increase over the prior year quarter, due to the commercial contract settlement in the prior year quarter, partially offset by a bad debt provision charge of \$866 resulting from a customer in the United Kingdom that filed for administrative protection in the third quarter of 2023.

During the current quarter, the Rail, Technologies, and Services segment had a decrease in new orders of \$6,711, or 11.9%, compared to the prior year quarter. The decrease is due to a \$1,799 impact associated with the divestitures of Track Components and Ties as well as lower overall order rates in the Rail Products business, partially offset by order growth in the Technology Services and Solutions business. Backlog as of September 30, 2023 was \$93,632, a decrease of \$15,232, or 14.0%, versus the prior year quarter, driven by a decline in the Rail Products business unit, including a reduction of \$7,091 related to the divestiture of Ties, partially offset by a 42.7% and 8.7% increase in Technology Services and Solutions and Global Friction Management backlog, respectively.

#### Precast Concrete Products

	Three Months Ended September 30,		Change 2023 vs. 2022	Percent Change 2023 vs. 2022
	2023	2022		
Net sales	\$ 38,642	\$ 28,856	\$ 9,786	33.9 %
Gross profit	\$ 9,266	\$ 5,647	\$ 3,619	64.1 %
Gross profit margin	24.0 %	19.6 %	4.4 %	22.5 %
Segment operating profit	\$ 3,389	\$ 1,245	\$ 2,144	172.2 %
Segment operating profit margin	8.8 %	4.3 %	4.5 %	104.3 %

The Precast Concrete Products segment sales for the three months ended September 30, 2023 increased by \$9,786, or 33.9%, compared to the prior year quarter. The VanHooseCo acquisition contributed \$2,800, or 9.7%, of the increase in sales over the prior



year quarter. Organic sales increased by \$6,986, or 24.2%, which is a continued reflection of the strong demand environment in the southern and northeastern United States markets.

The Precast Concrete Products segment gross profit for the three months ended September 30, 2023 increased by \$3,619, and gross profit margins expanded by 440 basis points to 24.0%. The improvement in gross profit is due to the VanHooseCo acquisition as well as overall sales volumes and the impact of improved pricing in the legacy precast business. The prior year quarter includes an expense of \$851 associated with a purchase accounting adjustment related to the acquired VanHooseCo inventory. Operating profit for the third quarter of 2023 was \$3,389, a \$2,144 improvement over the prior year quarter, due to higher gross profit levels, which was partially offset by an increase in selling and administrative expenses.

During the quarter, the Precast Concrete Products segment had a decrease in new orders and backlog of 10.8% and 7.2%, respectively, compared to the prior year quarter. The decrease in new orders and backlog is due primarily to declines in the legacy businesses.

### **Steel Products and Measurement**

	Three Months Ended September 30,		Change 2023 vs. 2022	Percent Change 2023 vs. 2022
	2023	2022		
Net sales	\$ 19,837	\$ 23,809	\$ (3,972)	(16.7)%
Gross profit	\$ 1,729	\$ 4,074	\$ (2,345)	(57.6)%
Gross profit margin	8.7 %	17.1 %	(8.4)%	(49.1)%
Segment operating (loss) profit	\$ (1,521)	\$ 303	\$ (1,824)	**
Segment operating (loss) profit margin	(7.7)%	1.3 %	(9.0)%	**

*\*\* Results of the calculation are not considered meaningful for presentation purposes.*

The Steel Products and Measurement segment sales for the three months ended September 30, 2023, decreased by \$3,972, or 16.7%, compared to the prior year quarter. The decrease in sales for the third quarter of 2023 was attributable to the divestiture of Chemtec, which reduced sales by \$4,275, and \$1,977 stemming from changes in expected value of certain commercial projects associated with the exit of the bridge grid deck product line, partially offset by organic growth of \$2,280 during the quarter.

Steel Products and Measurement gross profit for the three months ended September 30, 2023 decreased by \$2,345, and gross profit margins decreased 840 basis points to 8.7%. This decline was driven by the reduction in profitability of \$3,051 related to changes in expected value of certain commercial projects associated with the exit of the bridge grid deck product line. The segment operating loss was \$1,521, unfavorable by \$1,824 from the prior year quarter, due to the decline in gross profit, partially offset by lower selling and administrative expenses.

During the quarter, the Steel Products and Measurement segment had a decrease in new orders and backlog of \$26,999, or 53.9%, and \$8,105, or 10.5%, respectively, compared to the prior year quarter. The decrease in order levels was due to the divestiture of Chemtec, driving a decrease of \$15,991, and the discontinued bridge grid deck product line, which had an order decline of \$4,518, and a decline in the Company's Protective Coatings business unit. The backlog decrease was due to the divestiture of the Chemtec business driving a decrease of \$20,251, and the discontinued bridge grid deck product line, which had a backlog decrease of \$5,405, partially offset by growth in the Protective Coatings business unit.

## Nine Month Results

	Nine Months Ended September 30,		Change 2023 vs. 2022
	2023	2022	
Net sales	\$ 408,867	\$ 360,324	\$ 48,543
Gross profit	83,767	62,837	20,930
Gross profit margin	20.5 %	17.4 %	310 bps
Expenses:			
Selling and administrative expenses	\$ 70,111	\$ 59,310	\$ 10,801
Selling and administrative expenses as a percent of sales	17.1 %	16.5 %	60 bps
Amortization expense	4,119	4,454	(335)
Operating profit (loss)	\$ 9,537	\$ (927)	\$ 10,464
Operating profit (loss) margin	2.3 %	(0.3)%	260 bps
Interest expense - net	\$ 4,404	\$ 1,747	\$ 2,657
Other expense (income) - net	3,463	(1,096)	4,559
Income (loss) before income taxes	\$ 1,670	\$ (1,578)	\$ 3,248
Income tax (benefit) expense	(99)	137	(236)
Net income (loss)	\$ 1,769	\$ (1,715)	\$ 3,484
Net loss attributable to noncontrolling interest	(125)	(82)	(43)
Net income (loss) attributable to L.B. Foster Company	\$ 1,894	\$ (1,633)	\$ 3,527
Diluted earnings (loss) per common share	\$ 0.17	\$ (0.16)	\$ 0.33

## Results Summary

Net sales of \$408,867 for the nine months ended September 30, 2023, increased by \$48,543, or 13.5%, over the prior year period. Organic growth and acquisitions drove a 13.3% and 5.5% increase in sales over the prior year period, respectively, with an offsetting 5.3% decline from divestitures. The organic growth rate includes the adverse impact stemming from changes in expected value of certain commercial projects associated with the exit of the bridge grid deck product line within the Steel Products and Measurement segment by \$1,977 and the \$3,956 non-routine adverse impact on sales in the prior year from the settlement of certain long-term commercial contracts related to the multi-year Crossrail project in the Company's Technology Services and Solutions business in the United Kingdom.

Gross profit for the nine months ended September 30, 2023 was \$83,767, an increase of \$20,930 over the prior year period, or 33.3%, and gross profit margins expanded by 310 basis points to 20.5%. The improvement in gross profit is due to the portfolio changes that are a part of the Company's strategic transformation plan along with higher sales volume and improved product mix, input costs, and pricing. The current year gross profit includes the reduction in profitability of \$3,051 related to changes in expected value of certain commercial projects associated with the exit of the bridge grid deck product line in the Steel Products and Measurement segment. The prior year gross profit includes the adverse impact of \$3,956 associated with the settlement of certain long-term commercial contracts related to the multi-year Crossrail project in the Company's Technology Services and Solutions business in the United Kingdom and an expense of \$851 associated with a purchase accounting adjustment related to acquired inventory stemming from the acquisition of VanHooseCo within the Precast Concrete Products segment.

Selling and administrative expenses for the nine months ended September 30, 2023 increased by \$10,801, or 18.2%, from the prior year quarter, due in part to the acquisitions of VanHooseCo and Skratz, higher personnel expenses, and a bad debt provision charge of \$866 due to a customer in the United Kingdom who filed for administrative protection in the Rail, Technologies, and Services segment. The Company will continue to evaluate the collectibility of this account and will adjust the provision as required. Selling and administrative expenses as a percent of net sales were 17.1% versus 16.5% in the prior year period, a 60 basis point increase.

Other expense - net for the nine months ended September 30, 2023 was \$3,463 while other income - net was \$1,096 in the prior year quarter. Other expense - net for the nine months ended September 30, 2023 was due primarily to the \$3,074 loss on the divestitures of Ties and Chemtec and \$1,069 of exit costs incurred related to the exit of the bridge grid deck product line, and other income - net for the nine months ended September 30, 2022 was due to a \$489 divestiture gain and \$790 in insurance proceeds.

The Company's effective income tax rate for the nine months ended September 30, 2023 was (5.9)%, compared to (8.7)% in the prior year period. The Company's effective tax rate for the nine months ended September 30, 2023 differed from the federal statutory rate of 21% primarily due to changes in the valuation allowance established against U.S. and United Kingdom deferred tax assets. The Company maintains a valuation allowance against its U.S. and United Kingdom deferred tax assets, which is likely to result in significant variability of the effective tax rate in the current year.

Net income for the nine months ended September 30, 2023 attributable to the Company was \$1,894, or \$0.17 per diluted share, favorable by \$3,527, or \$0.33 per diluted share, from the prior year period. Net income was primarily driven by stronger operating profit stemming from margin expansion during the nine months ended September 30, 2023, which was partially offset by a \$3,074 loss on the divestitures of the Chemtec and Ties and \$4,120 in exit costs impacting both gross profit and other expense (income) - net incurred from the exit of the bridge grid deck product line.

The Company continues to execute its strategic transformation into a technology-focused, high growth infrastructure solutions provider, as evidenced by the number of recent portfolio actions taken, including the divestiture of Chemtec and Ties and the exit of the bridge grid deck product line, which further reduces the Company's commoditized offerings to allow for increased focus on its core growth platforms, rail technologies and precast concrete, as well as organic growth initiatives, debt reduction, and improving shareholder value.

## Results of Operations - Segment Analysis

### First Nine Months 2023 Compared to First Nine Months 2022

#### Rail, Technologies, and Services

	Nine Months Ended September 30,		Change 2023 vs. 2022	Percent Change 2023 vs. 2022
	2023	2022		
Net sales	\$ 242,866	\$ 222,857	\$ 20,009	9.0 %
Gross profit	\$ 51,360	\$ 41,564	\$ 9,796	23.6 %
Gross profit margin	21.1 %	18.7 %	2.4 %	13.4 %
Segment operating profit	\$ 12,880	\$ 5,576	\$ 7,304	131.0 %
Segment operating profit margin	5.3 %	2.5 %	2.8 %	112.0 %

The Rail, Technologies, and Services segment sales for the nine months ended September 30, 2023 increased by \$20,009, or 9.0%, compared to the prior year period. Net sales increased by 13.1% organically and by 0.7% from the acquisition of Skcratch, offset by a 4.8% decrease from the divestitures of Track Components and Ties. The sales increase was driven by Rail Products and Global Friction Management due to strength in domestic markets served, partially offset by a sales decline in Technology Services and Solutions due to the completion of the multi-year Crossrail project in late 2022 and weak economic conditions in the United Kingdom in 2023. Technology Services and Solutions sales in the nine months ended September 30, 2022 include a \$3,956 reduction in sales from the settlement of certain long-term commercial contracts related to the multi-year Crossrail project.

The Rail, Technologies, and Services segment gross profit increased by \$9,796, or 23.6%, over the prior year period, and gross profit margins expanded 240 basis points to 21.1%. Gross profit increases in Rail Products and Global Friction Management were commensurate with higher sales levels. Technology Services and Solutions gross profit declined year over year due to lower sales volumes, unfavorable business mix and ongoing commercial weakness in the United Kingdom market, partially offset by the \$3,956 reduction in gross profit recorded in the prior year related to the settlement of certain long-term commercial contracts related to the multi-year Crossrail project. The overall improvement in gross profit is due to the portfolio changes that are a part of the Company's strategic transformation, increased sales in the higher margin Global Friction Management business, and improved pricing. Operating profit was \$12,880, a \$7,304 increase over the prior year quarter, due primarily to higher gross profit levels.

During the nine months ended September 30, 2023, the Rail, Technologies, and Services segment had a slight decrease in new orders of \$1,326, or 0.6%, compared to the prior year period. New orders declined \$8,224 and \$1,493 related to the divestitures of Track Components and Ties, respectively, which was almost entirely offset by strong order levels in the Global Friction Management and Technology Services and Solutions businesses. Backlog as of September 30, 2023 was \$93,632, a decrease of \$15,232, or 14.0%, versus the prior year period, driven by a decline in the Rail Products business, including a reduction of \$7,091 related to the divestiture of Ties, partially offset by a 42.7% and 8.7% increase in Technology Services and Solutions and Global Friction Management backlog, respectively.

### **Precast Concrete Products**

	Nine Months Ended September 30,		Change 2023 vs. 2022	Percent Change 2023 vs. 2022
	2023	2022		
Net sales	\$ 96,795	\$ 67,477	\$ 29,318	43.4 %
Gross profit	\$ 22,463	\$ 11,439	\$ 11,024	96.4 %
Gross profit margin	23.2 %	17.0 %	6.2 %	36.9 %
Segment operating profit	\$ 4,337	\$ 329	\$ 4,008	**
Segment operating profit margin	4.5 %	0.5 %	4.0 %	**

\*\* Results of the calculation are not considered meaningful for presentation purposes.

The Precast Concrete Products segment sales for the nine months ended September 30, 2023 increased by \$29,318, or 43.4%, compared to the prior year period. The VanHooseCo acquisition contributed 27.2% of the increase in sales over the prior year period. Organic sales increased by 16.3%, which is a continued reflection of the strong demand environment in the southern and northeastern United States markets.

The Precast Concrete Products segment's gross profit for the nine months ended September 30, 2023 increased by \$11,024, and gross profit margins expanded by 620 basis points to 23.2%. The improvement in gross profit is due to the VanHooseCo acquisition as well as overall sales volumes and stronger margins from the legacy precast business, including the impact of improved pricing. Operating profit for the nine months ended September 30, 2023 was \$4,337, a \$4,008 improvement over the prior year period, due to higher gross profit levels, which was partially offset by an increase in selling and administrative expenses from the VanHooseCo acquisition, as well as increased personnel expenses.

During the quarter, the Precast Concrete Products segment had an increase in new orders of 39.4% due to both the VanHooseCo acquisition and strong demand in the legacy business. As of September 30, 2023, backlog decreased by 7.2%, driven by the legacy businesses, which was partially offset by uplift from the VanHooseCo acquisition.

### **Steel Products and Measurement**

	Nine Months Ended September 30,		Change 2023 vs. 2022	Percent Change 2023 vs. 2022
	2023	2022		
Net Sales	\$ 69,206	\$ 69,990	\$ (784)	(1.1)%
Gross profit	\$ 9,944	\$ 9,834	\$ 110	1.1 %
Gross profit margin	14.4 %	14.1 %	0.3 %	2.3 %
Segment operating loss	\$ (73)	\$ (1,083)	\$ 1,010	93.3 %
Segment operating loss margin	(0.1)%	(1.5)%	1.4 %	93.2 %

The Steel Products and Measurement segment sales for the nine months ended September 30, 2023 decreased by \$784, or 1.1%, compared to the prior year quarter. The decrease in sales for the nine months ended September 30, 2023 was due to a reduction of \$8,451 from the Chemtec divestiture and \$1,977 stemming from changes in expected value of certain commercial projects associated with the exit of the bridge grid deck product line, which was almost entirely offset by an increase in Protective Coatings.

Steel Products and Measurement gross profit for the nine months ended September 30, 2023 increased by \$110, and gross profit margins increased 30 basis points to 14.4%. Gross profit for the nine months ended September 30, 2023 included growth in Protective Coatings due to stronger margins and higher sales volume, partially offset by an adverse impact of \$3,051 related to changes in expected value of certain commercial projects associated with the exit of the bridge grid deck product line and a reduction of \$560 due to the Chemtec divestiture. The segment operating loss was favorable \$1,010 from the prior year period, due to higher gross profit levels and a decrease in selling and administrative expenses.

During the quarter, the Steel Products and Measurement segment had a decrease in new orders and backlog of \$17,942, or 17.8%, and \$8,105, or 10.5%, respectively, compared to the prior year period. The divestiture of Chemtec during the first quarter of 2023 resulted in a reduction in new orders and backlog of \$22,014 and \$20,251, respectively, from the prior year period. Strong demand in the Protective Coatings division, in both traditional and expanded market applications, partially offset the decrease in new orders and backlog from the Chemtec divestiture.

**Liquidity and Capital Resources**

The Company's principal sources of liquidity are its existing cash and cash equivalents, cash generated by operations, and the available capacity under the revolving credit facility, which provides for a total commitment of up to \$130,000, of which \$55,980 was available for borrowing as of September 30, 2023, subject to covenant restrictions. The Company's primary needs for liquidity relate to working capital requirements for operations, capital expenditures, debt service obligations, payments related to the Union Pacific Railroad Settlement, and acquisitions. The Company's total debt, including finance leases, was \$71,689 and \$91,879 as of September 30, 2023 and December 31, 2022, respectively, and was primarily comprised of borrowings under its revolving credit facility.

The following table reflects available funding capacity, subject to covenant restrictions, as of September 30, 2023:

	September 30, 2023
Cash and cash equivalents	\$ 2,969
Credit agreement:	
Total availability under the credit agreement	130,000
Outstanding borrowings on revolving credit facility	(71,476)
Letters of credit outstanding	(2,544)
Net availability under the revolving credit facility	55,980
<b>Total available funding capacity</b>	<b>\$ 58,949</b>

The Company's cash flows are impacted from period to period by fluctuations in working capital, as well as its overall profitability. While the Company places an emphasis on working capital management in its operations, factors such as its contract mix, commercial terms, days sales outstanding ("DSO"), and market conditions as well as seasonality may impact its working capital. The Company regularly assesses its receivables and contract assets for collectability and realization, and provides allowances for credit losses where appropriate. The Company believes that its reserves for credit losses are appropriate as of September 30, 2023, but adverse changes in the economic environment and adverse financial conditions of its customers may impact certain of its customers' ability to access capital and pay the Company for its products and services, as well as impact demand for its products and services.

The changes in cash and cash equivalents for the nine months ended September 30, 2023 and 2022 were as follows:

	Nine Months Ended September 30,	
	2023	2022
Net cash provided by (used in) operating activities	\$ 15,310	\$ (18,836)
Net cash provided by (used in) investing activities	5,798	(54,061)
Net cash (used in) provided by financing activities	(21,121)	68,568
Effect of exchange rate changes on cash and cash equivalents	100	(1,100)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>\$ 87</b>	<b>\$ (5,429)</b>

**Cash Flow from Operating Activities**

During the nine months ended September 30, 2023, net cash provided by operating activities was \$15,310, compared to cash used by operating activities of \$18,836 during the prior year period. For the nine months ended September 30, 2023, net income and adjustments to reconcile net income from operating activities provided \$16,850, compared to \$9,134 in the prior year period. Working capital and other assets and liabilities used \$1,540 in the current period, compared to using \$27,970 in the prior year period. The Company received \$2,973 during the nine months ended September 30, 2023 associated with its federal income tax refund claims, which have now been collected in full.

**Cash Flow from Investing Activities**

Capital expenditures for the nine months ended September 30, 2023 and 2022 were \$2,784 and \$4,559, respectively. The current period expenditures primarily relate to general plant and operational improvements throughout the Company, as well as organic growth initiatives. Expenditures for the nine months ended September 30, 2022 primarily related to general plant and operational improvements throughout the Company, including corporate system and facility improvements and organic growth initiatives. During the nine months ended September 30, 2023, the Company divested the assets of its Chemtec and Ties businesses, generating a cash inflow of \$7,706. During the nine months ended September 30, 2023 the Company received proceeds of \$337 from final working capital adjustments related to prior year acquisitions. During the nine months ended September 30, 2022 the Company received cash proceeds from the Track Components divestiture and final proceeds from the 2021 Piling Products divestiture totaling \$8,800. During the nine months ended September 30, 2022, the Company had \$58,561 in cash outflows for the acquisition of Skcratch and VanHooseCo.

### ***Cash Flow from Financing Activities***

During the nine months ended September 30, 2023 and 2022, the Company had a decrease in outstanding debt of \$20,262 and an increase of \$69,155, respectively. The decrease in debt for the nine months ended September 30, 2023 was primarily due to cash provided by operations, as well as proceeds received from the Ties and Chemtec divestitures during the period, which were used to pay down debt. The increase in debt for the 2022 period was due largely to the acquisition of VanHooseCo on August 12, 2022, as well as the acquisition of Skcratch on June 21, 2022, and the funding of working capital and other assets and liabilities. Treasury stock acquisitions of \$1,193 and \$405 for the nine months ended September 30, 2023 and 2022, respectively, represent stock repurchases from employees to satisfy their income tax withholdings in connection with the vesting of stock awards.

During the first quarter of 2023, the Company's Board of Directors authorized the repurchase of up to \$15,000 of the Company's common stock in open market transactions through February 2026. Repurchases are limited to up to \$5,000 in any trailing 12-month period, with unused amounts carrying forward to future periods through the end of the authorization. Any repurchases will be subject to the Company's liquidity, including availability of borrowings and covenant compliance under its revolving credit facility, and other capital needs of the business. In connection with the stock repurchase program, 63,343 shares valued at \$878 were repurchased during the nine months ended September 30, 2023.

Repurchases of shares of the Company's common stock may be made from time to time in the open market or in such other manner as determined by the Company. The timing of the repurchases and the actual amount repurchased will depend on a variety of factors, including the market price of the Company's shares, general market and economic conditions, and other factors. The stock repurchase program does not obligate the Company to acquire any particular amount of common stock and may be suspended or discontinued at any time.

### ***Financial Condition***

As of September 30, 2023, the Company had \$2,969 in cash and cash equivalents. The Company's cash management priority continues to be short-term maturities and the preservation of its principal balances. As of September 30, 2023, approximately \$2,243 of the Company's cash and cash equivalents were held in non-domestic bank accounts. The Company principally maintains its cash and cash equivalents in accounts held by major banks and financial institutions.

The Company's principal uses of cash have been to fund its operations, including capital expenditures, acquisitions, and to service its indebtedness. The Company views its liquidity as being dependent on its results of operations, changes in working capital needs, and its borrowing capacity. As of September 30, 2023, the Company's revolving credit facility had \$55,980 of net availability, while the Company had \$71,689 in total debt.

On August 13, 2021, the Company entered into the Credit Agreement, which increased the total commitments under the revolving credit facility to \$130,000, extended the maturity date from April 30, 2024 to August 13, 2026, and provided more favorable covenant terms. Borrowings under the Credit Agreement bear interest rates based upon either the base rate or SOFR rate plus applicable margins. The Company believes that the combination of its cash and cash equivalents, cash generated from operations, and the capacity under its revolving credit facility should provide the Company with sufficient liquidity to provide the flexibility to operate the business in a prudent manner and enable the Company to continue to service its outstanding debt. On August 12, 2022, the Company amended its Credit Agreement to obtain approval for the VanHooseCo acquisition and temporarily modify certain financial covenants to accommodate the transaction. The Second Amendment permitted the Company to acquire the operating assets of VanHooseCo and modified the maximum Gross Leverage Ratio covenant through June 30, 2023 to accommodate the transaction. The Second Amendment also added an additional tier to the pricing grid and provided for the conversion from LIBOR-based to SOFR-based borrowings. For a discussion of the terms and availability of the credit facilities, please refer to Note 7 of the Notes to Condensed Consolidated Financial Statements contained in this Quarterly Report on Form 10-Q.

To reduce the impact of interest rate changes on outstanding variable-rate debt, the Company amended and entered into SOFR-based interest rate swaps with notional values totaling \$20,000 and \$20,000, effective August 12, 2022 and August 31, 2022, respectively, at which point the agreements effectively converted a portion of the debt from variable to fixed-rate borrowings during the term of the swap contract.

**Segment Backlog**

Total Company backlog is summarized by business segment in the following table for the periods indicated:

	Backlog		
	September 30, 2023	December 31, 2022	September 30, 2022
Rail, Technologies, and Services	\$ 93,632	\$ 105,241	\$ 108,864
Precast Concrete Products	80,391	80,501	86,612
Steel Products and Measurement	69,196	86,509	77,301
Total backlog	<u>\$ 243,219</u>	<u>\$ 272,251</u>	<u>\$ 272,777</u>

The Company's backlog represents the sales price of received customer purchase orders and any contracts for which the performance obligations have not been met, and therefore are precluded from revenue recognition. Although the Company believes that the orders included in backlog are firm, customers may cancel or change their orders with limited advance notice; however, these instances have been rare. Backlog should not be considered a reliable indicator of the Company's ability to achieve any particular level of revenue or financial performance. While a considerable portion of the Company's business is backlog-driven, certain product lines within the Company are not driven by backlog as the orders are fulfilled shortly after they are received.

The Company defines new orders as a contractual agreement between the Company and a third-party in which the Company will, or has the ability to, satisfy the performance obligations of the promised products or services under the terms of the agreement.

**Critical Accounting Estimates**

The Condensed Consolidated Financial Statements have been prepared in conformity with accounting principles generally accepted in the United States. When more than one accounting principle, or method of its application, is generally accepted, management selects the principle or method that, in its opinion, is appropriate in the Company's specific circumstances. Application of these accounting principles requires management to reach opinions regarding estimates about the future resolution of existing uncertainties. As a result, actual results could differ from these estimates. In preparing these financial statements, management has reached its opinions regarding the best estimates and judgments of the amounts and disclosures included in the financial statements giving due regard to materiality. A summary of the Company's critical accounting policies and estimates is included in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Critical Accounting Policies and Estimates in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

**Item 3. Quantitative and Qualitative Disclosures about Market Risk**

This item is not applicable to a smaller reporting company.

**Item 4. Controls and Procedures****Evaluation of Disclosure Controls and Procedures**

L.B. Foster Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of September 30, 2023. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of such date such that the information required to be disclosed by the Company in reports filed under the Exchange Act is (i) recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to management, including the chief executive officer, chief financial officer, or person performing such functions, as appropriate to allow timely decisions regarding disclosure.

**Changes in Internal Control Over Financial Reporting**

The Company has integrated VanHooseCo and Skratch into its controls and procedures. Otherwise, there were no changes to our "internal control over financial reporting" (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the nine months ended September 30, 2023, and that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**Limitations on Effectiveness of Controls and Procedures**

In designing and evaluating disclosure controls and procedures and internal control over financial reporting, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures and internal control over financial reporting must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

**PART II. OTHER INFORMATION****(Dollars in thousands, except share data)****Item 1. Legal Proceedings**

See Note 13 of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q, which is incorporated herein by reference.

**Item 1A. Risk Factors**

This item is not applicable to a smaller reporting company.

**Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities**

The Company's purchases of equity securities for the three months ended September 30, 2023 were as follows:

	Total number of shares purchased (1)	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs (2)	Approximate dollar value of shares that may yet be purchased under the plans or programs
July 1, 2023 - July 31, 2023	—	\$ —	—	\$ 14,338
August 1, 2023 - August 31, 2023	—	—	4,549	14,258
September 1, 2023 - September 30, 2023	—	—	7,553	14,122
Total	—	\$ —	12,102	\$ 14,122

1. Reflects shares withheld by the Company to pay taxes upon vesting of restricted stock.
2. On March 3, 2023, the Board of Directors authorized the repurchase of up to \$15,000 of the Company's common shares until February 2026.

**Item 3. Defaults Upon Senior Securities**

Not applicable.

**Item 4. Mine Safety Disclosures**

This item is not applicable to the Company.

**Item 5. Other Information****Trading Arrangements**

None of the Company's directors or "officers," as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), adopted, modified, or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K, during the Company's fiscal quarter ended September 30, 2023.



**Item 6. Exhibits**

See Exhibit Index below.

**Exhibit Index**

<b><u>Exhibit Number</u></b>	<b><u>Description</u></b>
*10.1	<a href="#">Executive Annual Incentive Compensation Plan (As Amended and Restated October 24, 2023).</a> **
*10.2	<a href="#">Supplemental Executive Retirement Plan (As Amended and Restated October 24, 2023).</a> **
*10.3	<a href="#">Key Employee Separation Plan (As Amended and Restated October 24, 2023).</a> **
*10.4	<a href="#">Amended and Restated Executive Recoupment Policy (October 24, 2023).</a> **
*10.5	<a href="#">2022 Equity and Incentive Compensation Plan (As Amended October 24, 2023).</a> **
*10.6	<a href="#">2023 Executive Annual Incentive Plan (October 24, 2023).</a> **
*31.1	<a href="#">Certification of Chief Executive Officer under Section 302 of the Sarbanes-Oxley Act of 2002.</a>
*31.2	<a href="#">Certification of Chief Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002.</a>
*32.0	<a href="#">Certification of Chief Executive Officer and Chief Financial Officer under Section 906 of the Sarbanes-Oxley Act of 2002.</a>
*101.INS	XBRL Instance Document-the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
*101.SCH	XBRL Taxonomy Extension Schema Document.
*101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
*101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
*101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
*101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.
*104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

\* Exhibits marked with an asterisk are filed herewith.

\*\* Exhibit represents a management contract or compensatory plan, contract, or arrangement.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

L.B. FOSTER COMPANY  
(Registrant)

Date: **November 7, 2023**

**By: /s/ William M. Thalman**  
William M. Thalman  
Executive Vice President  
and Chief Financial Officer  
(Duly Authorized Officer of Registrant)

**L.B. FOSTER COMPANY**  
**EXECUTIVE ANNUAL INCENTIVE COMPENSATION PLAN**  
**(As Amended and Restated)**

1. **Purpose of the Plan**

The purpose of the L.B. Foster Company Executive Annual Incentive Compensation Plan (the “Plan”) is to advance the interests of the Company and its shareholders by providing incentives to officers and certain other key employees with significant responsibility for achieving performance goals critical to the success and growth of the Company. The Plan is designed to: (i) promote the attainment of the Company's significant business objectives; (ii) encourage and reward management teamwork across the entire Company; and (iii) assist in the attraction and retention of employees vital to the Company's long-term success.

2. **Definitions**

For the purpose of the Plan, the following definitions shall apply:

(a) **“Board”** means the Board of Directors of the Company.

(b) **“Cause”** means (i) termination due to (a) willful or gross neglect of duties or (b) willful misconduct in the performance of such duties, so as to cause material harm to the Company, (ii) termination due to the Participant committing fraud, misappropriation or embezzlement in the performance of such Participant's duties or (iii) termination due to the Participant committing any felony of which such Participant is convicted and which, as determined in good faith by the Committee, constitutes a crime involving moral turpitude and results in material harm to the Company. The Committee shall make all determinations of whether the Participant was terminated for Cause and any such determination shall be final and conclusive.

(c) **“Code”** means the Internal Revenue Code of 1986, as amended, including any successor law thereto.

(d) **“Change of Control”** means the first to occur of any of the following: (i) the consummation of any merger, consolidation or business combination in which the shareholders of L.B. Foster Company immediately prior to the merger, consolidation or business combination do not own at least a majority of the outstanding equity interests of the surviving parent company; (ii) the sale of all or substantially all of the Company's assets in a single transaction or a series of related transactions; (iii) the acquisition of beneficial ownership or control (including, without limitation, power to vote) of a majority of the outstanding common stock of the L.B. Foster Company by any person or entity (including a “group” as defined by or under Section 13(d)(3) of the Securities Exchange Act of 1934, as amended, but excluding the Company, any trustee or other fiduciary holding securities under an employee benefit plan of the Company, and any corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of shares of the Company's common stock); or (iv) a contested election of directors, as a result of which or in connection with which the persons who were directors of the L.B. Foster Company before such election or their nominees cease to constitute a majority of the Board.

(e) **“Clawback Policy”** means the L.B. Foster Company Amended and Restated Executive Recoupment Policy (as may be amended and restated from time to time).

(f) **“Committee”** means the Compensation Committee of the Board, or such other committee as is appointed or designated by the Board to administer the Plan, which shall, with respect to awards and payments of awards hereunder intended to qualify as Performance-Based Compensation, be comprised solely of two or more “outside directors” (as defined under Section 162(m)).

(g) **“Company”** means L.B. Foster Company and any subsidiary entity or affiliate thereof, including subsidiaries or affiliates which become such after adoption of the Plan.

(h) **“Forfeit,” “Forfeiture,” “Forfeited”** means the loss by a Participant of any and all rights to an award granted under the Plan, including the loss of any payment of compensation by the Company under the Plan or any award granted thereunder.

(i) **“Participant”** means any person: (1) who satisfies the eligibility requirements set forth in Paragraph 4; (2) to whom an award has been made by the Committee; and (3) whose award remains outstanding under the Plan.

(j) **“Performance-Based Compensation”** means compensation under the Plan that is intended to qualify as “performance-based compensation” within the meaning of Section 162(m). (Effective for tax years after 2017, the performance-based compensation exception under Section 162(m) was repealed, provided, however, that notwithstanding such repeal, the performance-based compensation exception under Section 162(m) is subject to a transition rule for remuneration that is payable pursuant to a written binding contract that was in effect on November 2, 2017 and is not materially modified thereafter. For the avoidance of doubt, it is the intent of the Company to preserve the Performance-Based Compensation that is or may be payable under this Plan to the maximum extent permissible by law.)

(k) **“Performance Goal”** means, in relation to any Performance Period, the level of performance that must be achieved with respect to a Performance Measure.

(l) **“Performance Measures”** means any one or more of the following performance criteria, either individually, alternatively or in any combination, and subject to such modifications or variations as specified by the Committee, applied to either the Company as a whole or to a business unit or subsidiary entity thereof, either individually, alternatively or in any combination, and measured over a period of time including any portion of a year, annually or cumulatively over a period of years, on an absolute basis or relative to a pre-established target, to previous years' results or to a designated comparison group, in each case as specified by the Committee: cash flow; cash flow from operations; earnings (including, but not limited to, earnings before interest, taxes, depreciation, and amortization or some variation thereof); earnings per share, diluted or basic; earnings per share from continuing operations; net asset turnover; inventory turnover; days sales outstanding on receivables; capital expenditures; debt; debt reduction; working capital (including as a percentage of sales); return on investment; return on sales; return on invested capital; net or gross sales; gross profit on sales; material gross profit (gross profit on material portion of sales); performance profit (operating income minus an allocated charge approximating the Company's cost of capital, before or after tax); purchase variance; delivery variance; quality; customer satisfaction; comparable site sales; market share; economic value added; cost of capital; change in assets; expense reduction levels; productivity; delivery performance; safety record and/or performance; environmental record and/or performance; stock price; return on equity or capital employed; total stockholder return; return on capital; return on assets or net assets; revenue; income or net income; operating income or net operating income; operating income adjusted for management fees and depreciation and amortization; operating profit or net operating profit; non-performing assets; asset sale targets; value of assets; employee retention/attrition rates; investments; regulatory compliance; satisfactory internal or external audits; improvement of financial ratings; value creation; gross

margin, operating margin or profit margin; and completion of acquisitions, business expansion, product diversification, new or expanded market penetration and other non-financial operating and management performance objectives.

Prior to the repeal of the exception relating to performance-based compensation under Section 162(m), Performance Goals for Performance-Based Compensation were required to be based on Performance Measures in order to comply with the requirements for the qualified performance-based compensation exception under Section 162(m). For the avoidance of doubt, awards that are not intended to be Performance-Based Compensation, including awards to Participants who are “covered employees” under Section 162(m) on or after January 1, 2018 and that are not tax-deductible under Section 162(m), may be based on Performance Measures set forth above.

To the extent consistent with Section 162(m), the Committee may determine that certain adjustments shall apply, in whole or in part, in such manner as specified by the Committee, to exclude or include the effect of events that occur during a Performance Period, including the following: the impairment of tangible or intangible assets; asset write-downs; changes in inventory methods; effects of price escalators; litigation or claim judgments or settlements; acquisitions or divestitures; gains/losses on the sale of assets; foreign exchange gains and/or losses; expenses related to stock offerings and stock repurchases; the effect of changes in tax law, accounting principles or other such laws or provisions affecting reported results; business combinations, reorganizations and/or restructuring programs, including, but not limited to, reductions in force and early retirement incentives; currency fluctuations; any unusual, infrequent or non-recurring items, including, but not limited to, such items described in management's discussion and analysis of financial condition and results of operations or the financial statements and/or notes thereto appearing in the Company's annual report for the applicable period.

(m) “**Performance Period**” means, in relation to any award, the calendar year or other fiscal period within the calendar year of less than 12 months for which a Participant's performance is being calculated, with each such period constituting a separate Performance Period.

(n) “**Retirement**” means retirement of a Participant as determined and authorized by the Committee.

(o) “**Section 162(m)**” shall mean Section 162(m) of the Code and the regulations and other binding guidance promulgated thereunder.

(p) “**Section 409A**” shall mean Section 409A of the Code and the regulations and other binding guidance promulgated thereunder.

(q) “**Total and Permanent Disability**” means: (1) if the Participant is insured under a long-term disability insurance policy or plan which is paid for by the Company, the Participant is totally disabled under the terms of that policy or plan; or (2) if no such policy or plan exists, the Participant shall be considered to be totally disabled as determined by the Committee.

### 3. ***Administration of the Plan***

(a) The management of the Plan shall be vested in the Committee; provided, however, that all acts and authority of the Committee pursuant to this Plan shall be subject to the provisions of the Committee's Charter, as amended from time to time, and such other authority as may be delegated to the Committee by the Board. The Committee may, other than with respect to Performance-Based Compensation, delegate such of its powers and authority under the Plan to

the Company's officers as it deems necessary or appropriate. In the event of such delegation, all references to the Committee in the Plan shall be deemed references to such officers as it relates to those aspects of the Plan that have been delegated.

(b) Subject to the terms of the Plan, the Committee shall, among other things, have full authority and discretion to determine eligibility for participation in the Plan, make awards under the Plan, establish the terms and conditions of such awards (including the Performance Goal(s) and Performance Measure(s) to be utilized) and determine whether the Performance Goals applicable to any Performance Measures for any awards have been achieved. The Committee's determinations under the Plan need not be uniform among all Participants, or classes or categories of Participants, and may be applied to such Participants, or classes or categories of Participants, as the Committee, in its sole and absolute discretion, considers necessary, appropriate or desirable. The Committee is authorized to interpret the Plan, to adopt administrative rules, regulations, and guidelines for the Plan, and may correct any defect, supply any omission or reconcile any inconsistency or conflict in the Plan or in any award. All determinations by the Committee shall be final, conclusive and binding on the Company, the Participant and any and all interested parties.

(c) Subject to the provisions of the Plan, the Committee will have the authority and discretion to determine the extent to which awards under the Plan will be structured to conform to the requirements applicable to performance-based compensation as described in Section 162(m), and to take such action, establish such procedures, and impose such restrictions at the time such awards are granted as the Committee determines to be necessary or appropriate to conform to such requirements. Notwithstanding any provision of the Plan to the contrary, if an award under this Plan is intended to qualify as performance-based compensation under Section 162(m) and a provision of this Plan would prevent such award from so qualifying, such provision shall be administered, interpreted and construed to carry out such intention (or disregarded to the extent such provision cannot be so administered, interpreted or construed).

(d) The benefits provided under the Plan are intended to be excepted from coverage under Section 409A and shall be construed accordingly. Notwithstanding any provision of the Plan to the contrary, if any benefit provided under this Plan is subject to the provisions of Section 409A (and not excepted therefrom), the provisions of the Plan shall be administered, interpreted and construed in a manner necessary to comply with Section 409A (or disregarded to the extent such provision cannot be so administered, interpreted, or construed)

#### 4. ***Participation in the Plan***

Officers and key employees of the Company, as determined by the Committee, shall be eligible to participate in the Plan. No employee shall have the right to participate in the Plan, and participation in the Plan in any one Performance Period does not entitle an individual to participate in future Performance Periods.

#### 5. ***Incentive Compensation Awards***

(a) The Committee may, in its discretion, from time to time make awards to persons eligible for participation in the Plan pursuant to which the Participant will earn cash compensation. The amount of a Participant's award may be based on a percentage of such Participant's salary or such other methods as may be established by the Committee. Each award shall be communicated to the Participant, and shall specify, among other things, the terms and conditions of the award and the Performance Goals to be achieved. The maximum amount that may be awarded and paid under the Plan to a Participant for any calendar year for any Performance-Based Compensation shall not exceed USD \$1,500,000.

(b) With respect to awards that are intended to be performance-based compensation under Section 162(m), each award shall be conditioned upon the achievement of one or more Performance Measure(s) established by the Committee. No later than ninety (90) days after the beginning of the applicable Performance Period, the Committee shall establish in writing the Performance Goals, Performance Measures and the method(s) for computing the amount of compensation which will be payable under the Plan to each Participant if the Performance Goals established by the Committee are attained; provided however, that for a Performance Period of less than one year, the Committee shall take any such actions prior to the lapse of 25% of the Performance Period. In addition to establishing minimum Performance Goals below which no compensation shall be payable pursuant to an award of Performance-Based Compensation, the Committee, in its discretion, may create a performance schedule under which an amount less than or more than the target award for such Performance-Based Compensation may be paid so long as the Performance Goals have been achieved.

(c) The Committee, in its sole discretion, may also establish such additional restrictions or conditions that must be satisfied as a condition precedent to the payment of all or a portion of any awards. Such additional restrictions or conditions need not be performance-based and may include, among other things, the receipt by a Participant of a specified annual performance rating, the continued employment by the Participant and/or the achievement of specified performance goals by the Company, business unit or Participant. Furthermore and notwithstanding any provision of the Plan to the contrary, the Committee, in its sole discretion, may increase or reduce the amount of any award to a Participant if it concludes that such increase or reduction is necessary or appropriate based upon: (i) an evaluation of such Participant's performance; (ii) comparisons with compensation received by other similarly situated individuals working within the Company's industry; (iii) the Company's financial results and conditions; or (iv) such other factors or conditions that the Committee deems relevant. Notwithstanding any provision of this Plan to the contrary, the Committee shall not use its discretionary authority to increase any award that is intended to be performance-based compensation under Section 162(m).

#### **6. *Payment of Individual Incentive Awards***

(a) After the end of the Performance Period, the Committee shall certify in writing the extent to which the applicable Performance Goals and any other material terms have been achieved. Subject to the provisions of the Plan, earned awards shall be paid in the first calendar year immediately following the end of the Performance Period on or before March 15th of such calendar year ("Payment Date"). For purposes of this provision, and for so long as the Code permits, the approved minutes of the Committee meeting in which the certification is made may be treated as written certification.

Unless otherwise determined by the Committee or provided herein, Participants who have terminated employment with the Company prior to the actual payment of an award for any reason shall Forfeit any and all rights to payment under any awards then outstanding under the terms of the Plan and shall not be entitled to any cash payment for such period. If a Participant's employment with the Company should terminate prior to the Payment Date by reason of death, Retirement or Total and Permanent Disability, the Participant's award shall be prorated to reflect the period of service during the Performance Period prior to death, Retirement or Total and Permanent Disability, and shall be paid either to the Participant or, as appropriate, the Participant's estate, subject to the Committee's certification that the applicable Performance Goals and other material terms have been met. For purposes of this subparagraph, the prorated portion of an award shall be based on the ratio of the number of complete months the Participant is employed or serves during the Performance Period to the total number of months in the Performance Period.

(b) In the event of a Change of Control during a Participant's employment with the Company, in lieu of the payment provided in subparagraphs 6(a) hereof, the Participant shall be entitled to receive a lump sum cash payment equal to a pro rata target bonus for the year in which the Change of Control occurs, which shall be based on the portion of such year that the Participant was employed by the Company prior to the effective date of the Change of Control; provided, however, that the Committee may, in its sole discretion, determine that the Participant is not entitled to such payment upon a Change of Control. Any payment made pursuant to the immediately preceding sentence shall be made contemporaneous with the Change of Control, or as soon as administratively feasible thereafter (but in no event later than 60 days following the effective date of the Change of Control). For purposes of this subparagraph 6(b), the prorated portion of an award shall be based on the ratio of the number of complete months the Participant is employed or serves during the Performance Period through the date of the Change of Control to the total number of months in the Performance Period.

(c) The Committee shall determine whether, to what extent, and under what additional circumstances amounts payable with respect to an award under the Plan shall be deferred either automatically, at the election of the Participant, or by the Committee. All deferrals shall be made in accordance with the terms and procedures of the deferred compensation plan under which any such amounts are deferred.

#### **7. *Amendment or Termination of the Plan***

While the Company intends that the Plan shall continue in force from year to year, the Committee reserves the right to amend, modify or terminate the Plan at any time; provided, however, that no such modification, amendment or termination shall, without the consent of the Participant, materially adversely affect the rights of such Participant to any payment that has been determined by the Committee to be due and owing to the Participant under the Plan but not yet paid. Any and all actions permitted under this Paragraph 7 may be authorized and performed by the Committee in its sole and absolute discretion.

Notwithstanding the foregoing or any provision of the Plan to the contrary, the Committee may at any time (without the consent of the Participant) modify, amend or terminate any or all of the provisions of the Plan to the extent necessary to conform the provisions of the Plan with Section 409A or Section 162(m) or an exception thereto regardless of whether such modification, amendment, or termination of the Plan shall adversely affect the rights of a Participant under the Plan. Notwithstanding any provision of the Plan to the contrary, in no event shall the Committee or Board (or any member thereof), or the Company (or its employees, officers, directors or affiliates) have any liability to any Participant (or any other person) due to the failure of the Plan to satisfy the requirements of Section 409A or any other applicable law.

#### **8. *Rights Not Transferable***

A Participant's rights under the Plan may not be assigned, pledged, or otherwise transferred except, in the event of a Participant's death, to the Participant's designated beneficiary, or in the absence of such a designation, by will or by the laws of descent and distribution.

#### **9. *Funding/Payment***

The Plan is not funded and all awards payable hereunder shall be paid from the general assets of the Company. No provision contained in this Plan and no action taken pursuant to the provisions of this Plan shall create a trust of any kind or require the Company to maintain or set aside any specific funds to pay benefits hereunder. To the extent a Participant acquires a right to receive payments from the Company under the Plan, such right shall be no greater than the right



of any unsecured general creditor of the Company. If any earned Award is not paid by the Payment Date due to administrative impracticality, such earned Award will be paid, without earnings, as soon as administratively practicable thereafter.

10. ***Withholdings***

The Company shall have the right to withhold from any awards payable under the Plan or other wages payable to a Participant such amounts sufficient to satisfy federal, state and local tax withholding obligations arising from or in connection with the Participant's participation in the Plan and such other deductions as may be authorized by the Participant or as required by applicable law.

11. ***No Employment or Service Rights***

Nothing contained in the Plan shall confer upon any Participant any right with respect to continued employment with the Company (or any of its affiliates) nor shall the Plan interfere in any way with the right of the Company (or any of its affiliates) to at any time reassign the Participant to a different job, change the compensation of the Participant or terminate the Participant's employment for any reason.

12. ***Other Compensation Plans***

Nothing contained in this Plan shall prevent the Company from adopting other or additional compensation arrangements for employees of the Company, including arrangements that are not intended to comply with Section 162(m) of the Code.

13. ***Governing Law***

The Plan shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to its conflict of law provisions.

14. ***Effective Date***

The Plan, as amended and restated, became effective on October 24, 2023. Notwithstanding the foregoing, or anything else contained herein to the contrary, with respect to any Performance-Based Compensation to be paid under the Plan with respect to a written binding contract that was in effect on November 2, 2017, all terms and conditions of the payment of any such compensation shall be governed by the terms and conditions of this Plan and any underlying documents that combined to constitute the applicable written binding contract relating to such compensation that was in effect on November 2, 2017.

15. ***Clawback***

All awards under this Plan shall be subject to the terms and conditions set forth in the Clawback Policy. To the extent the Clawback Policy is applicable to a Participant, it creates additional rights for the Company with respect to awards provided to the Participant under this Plan. Any award granted under this Plan will be subject to potential mandatory cancellation, forfeiture and/or repayment by the Participant to the Company to the extent the Participant is, or in the future becomes, subject to (a) any Company clawback or recoupment policy, including the Clawback Policy, and any other policies that are adopted to comply with the requirements of any applicable laws, rules, regulations, stock exchange listing standards or otherwise, or (b) any applicable laws that impose mandatory clawback or recoupment requirements under the circumstances set forth in such laws, including as required by the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act, or other applicable laws,

rules, regulations, or stock exchange listing standards, as may be in effect from time to time, and which may operate to create additional rights for the Company with respect to awards and the recovery of amounts relating thereto. By accepting an award under this Plan, the Participant consents to be bound by the terms of the Clawback Policy, if applicable, and agrees and acknowledges that the Participant is obligated to cooperate with, and provide any and all assistance necessary to, the Company in its efforts to recover or recoup an award, any gains or earnings related to an award, or any other applicable compensation subject to clawback or recoupment pursuant to such laws, rules, regulations, stock exchange listing standards or Company policy. Such cooperation and assistance shall include, but is not limited to, executing, completing and submitting any documentation necessary to facilitate the recovery or recoupment by the Company from the Participant of any such amounts, including from the Participant's accounts or from any other compensation, to the extent permissible under Section 409A.

## **ESTABLISHMENT AND PURPOSE**

On December 14, 1994, the Board of Directors of L.B. Foster Company (the “Company”) adopted the L.B. Foster Company Supplemental Executive Retirement Plan (the “Plan”). The Plan was effective January 1, 1994.

The Plan is intended to constitute a “top hat plan” described in Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA (i.e., a plan which is unfunded and which is maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees). More specifically, the Plan was established to pay supplemental benefits to certain executive employees who qualify for benefits under the L.B. Foster Company 401(k) and Profit Sharing Plan (the “Qualified Plan”). The Plan is unfunded; the Company will make the Plan benefit payments solely from its general assets on a current disbursement basis.

The principal objective of this Plan is to ensure the payment of a competitive level of benefits in order to attract, retain and motivate selected executives. This Plan is designed to provide retirement benefits lost due to Sections 401(a)(17), 402(g), and 401(a)(4) of the Internal Revenue Code (the “Code”), as well as any other sections of the Code limiting the amount the Company can contribute under the Qualified Plan.

The last restatement of the Plan document was effective January 1, 2012. This restatement of the Plan document is effective October 24, 2023. However, this restatement is not intended to change any of the substantive provisions of the Plan; it is intended only to incorporate certain clarifying language to assist those employees of the Company charged with the administration of the Plan as well as those employees who are Participants in the Plan. The Plan is intended to comply with the requirements of Section 409A of the Code in form and operation, and shall be interpreted in a manner consistent with Section 409A of the Code and regulations promulgated under Section 409A of the Code.

**ARTICLE I**  
**DEFINITIONS**

**1.1 “Affiliated Company”** means any subsidiary or affiliate of the Company, whether or not such entity has adopted the Plan, and any other entity which is a member of a controlled group as defined under the Code.

**1.2 “Beneficiary”** means the person or persons designated by a Participant to receive payment of the Participant’s benefit under this Plan after the Participant’s death. At any time after commencement of participation, a Participant may designate a Beneficiary to receive the benefit from this Plan in the event of the Participant’s death. A Participant may change his or her designated Beneficiary at any time. A Participant may designate any person or persons as Beneficiaries. Unless otherwise provided in the Beneficiary designation form, each designated Beneficiary shall be entitled to equal shares of the benefits payable after the Participant’s death. If a Participant fails to designate a Beneficiary, or if no designated Beneficiary survives the Participant for a period of fifteen (15) days, the Participant’s surviving Spouse shall be the Beneficiary. If the Participant has no surviving Spouse, or if the surviving Spouse does not survive the Participant for a period of fifteen (15) days, the estate of the Participant shall be the Beneficiary.

**1.3 “Board of Directors”** means the Board of Directors of the Company.

**1.4 “Code”** means the Internal Revenue Code of 1986, as amended, and as it may be further amended from time to time.

**1.5 “Committee”** means the Compensation Committee of the Board of Directors, or any successor committee to which duties similar to those of the Compensation Committee have been delegated by the Board of Directors.

**1.6 “Company”** means the L.B. Foster Company, a corporation organized and existing under the laws of the State of Delaware, as well as any Affiliated Company which the Board of Directors has designated as eligible to adopt the Plan.

**1.7 “Compensation”** means Compensation as defined in the Qualified Plan, but without regard to the limit imposed by Section 401(a)(17) of the Code and reflected in the Qualified Plan.

**1.8 “Disability”** means the condition of a Participant who:

(a) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; or

(b) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than 3 months under an accident and health plan covering employees of the Company.

**1.9 “Early Retirement Date”** means the first day of the month immediately following the month in which a Participant attains age 55.

**1.10 “Effective Date”** means the effective date of this Plan. The Plan was originally effective January 1, 1994. This restatement of the Plan is effective October 24, 2023.

**1.11 “ERISA”** means the Employee Retirement Income Security Act of 1974, as amended, and as it may be further amended from time to time.

**1.12 “Key Employee”** means a Participant who is a key employee as defined in Section 416(i)(1)(A)(i), (ii) or (iii) of the Code (applied in accordance with the regulations under that section but disregarding Subsection 416(i)(5)).

**1.13 “Normal Retirement Date”** means the first day of the month immediately following the month in which a Participant attains age 65.

**1.14 “Participant”** means an employee of the Company who becomes and remains a Participant as provided in Article II.

**1.15 “Plan”** means this Supplemental Executive Retirement Plan.

**1.16 “Plan Administrator”** means the Committee.

**1.17 “Plan Sponsor”** means the Company.

**1.16 “Qualified Plan”** means the L.B. Foster Company 401(k) and Profit Sharing Plan, or such other defined contribution plan meeting the requirements of Section 401(a) of the Code as may be maintained by the Company and covering Participants in this Plan from time to time.

**1.17 “Separation From Service”** means any event which constitutes a separation from service within the meaning of Treasury Regulation Section 1.409A-1(h). For this purpose, a separation from service will be deemed to have occurred where the facts and circumstances indicate that the Company and the Participant reasonably anticipated that (a) no further services would be performed by the Participant for the Company after a certain date, or (b) the level of bona fide services the Participant would perform after such date (whether as an employee or independent contractor) would permanently decrease to a level less than fifty percent (50%) of the average level of bona services performed (whether as an employee or independent contractor) over the immediately preceding period of thirty-six (36) months (or over the full period of services to the Company if the Participant has been providing services to the Company for a period of less than 36 months).

**1.18 “Spouse”** means the lawful spouse of a Participant at the earlier of the Participant’s date of death or the date benefits commence to the Participant under the Plan.

**ARTICLE II**  
**PARTICIPATION**

**2.1 Eligibility for Participation.** Eligibility for participation in the Plan shall be limited to those individuals who comprise a select group of management or highly compensated employees within the meaning of Section 201(2) of ERISA.

**2.2 Selection for Participation.** Participation in the Plan is solely within the discretion of the Committee. The Committee shall individually select and name by resolution each eligible employee for participation in the Plan. An employee shall become a Participant as of the date specified in the resolution.

**2.3 Duration of Participation.** A Participant shall remain a Participant only for so long as he continues in the employ of the Company, or the Committee, in its sole discretion, determines that the Participant shall no longer be a Participant.

### ARTICLE III

#### ELIGIBILITY FOR RETIREMENT BENEFITS

**3.1 Normal Retirement.** Each Participant who has a Separation From Service on or after his Normal Retirement Date shall be eligible to receive a retirement benefit on the date of his Separation From Service. Notwithstanding the foregoing, a distribution shall not be made to a Key Employee sooner than six (6) months after the date of the Separation From Service or, if earlier, the date of the Participant's death. Payment to a surviving Key Employee will be made as soon as administratively feasible in the seventh month following the month containing the date of the Separation From Service.

**3.2 Early Retirement.** Each Participant who has a Separation From Service on or after his Early Retirement Date (but before his Normal Retirement Date) shall be eligible to receive a retirement benefit on the date of his Separation From Service, provided that the Participant has received the approval of the Committee to retire under the Plan. Notwithstanding the foregoing, a distribution shall not be made to a Key Employee sooner than six (6) months after the date of Separation From Service or, if earlier, the date of the Participant's death. Payment to a surviving Key Employee will be made as soon as administratively feasible in the seventh month following the month containing the date of the Separation From Service.

**3.3 Death.** The Beneficiary of a Participant who dies prior to Separation From Service (or following Separation From Service but prior to payment of the Participant's benefit) shall receive such Participant's retirement benefit on the first day of the second month following the month containing the date of such Participant's death.

**3.4 Disability.** Each Participant who has a Separation From Service due to Disability shall be eligible to receive a retirement benefit on the date of his Separation From Service.

**3.5 Involuntary Termination.** Each Participant who has a Separation From Service due to involuntary termination by the Company (other than for cause) shall be eligible to receive a retirement benefit on the first day of the month following the month containing the date of such Separation From Service. Notwithstanding the foregoing, a distribution shall not be made to a Key Employee sooner than six (6) months after the date of Separation From Service or, if earlier, the date of the Participant's death. Payment to a surviving Key Employee will be made as soon as administratively feasible in the seventh month following the month containing the date of Separation From Service.

## ARTICLE IV

### AMOUNT AND PAYMENT OF RETIREMENT BENEFIT

**4.1 Amount.** The retirement benefit payable under this Plan shall be the amount accumulated in the individual bookkeeping account of the Participant under the Plan resulting from the following credits:

(a) Matching Contribution Credit. For each year or portion of a year in which the employee is a Participant, the Participant shall be credited with a matching contribution credit calculated as the difference (if any) between:

(i) the matching contribution that would have resulted under the Qualified Plan if the Participant had made elective contributions sufficient to generate the maximum rate of matching contribution available under the Qualified Plan, without regard to any limits imposed by the Code (such as the non-discrimination limit on elective contributions under Section 401(a)(4) of the Code, the dollar limit on compensation taken into account under Section 401(a)(17) of the Code, the dollar limit on elective contributions under IRC Section 402(g) of the Code, and the limits on annual additions under Section 415(c) of the Code), and

(ii) the same calculation but with compensation limited as required by Section 401(a)(17) of the Code.

This calculation is unrelated to the Participant's actual rate of elective contributions under the Qualified Plan. Therefore, the matching contribution credit under this Plan is not conditioned on the Participant's making or refraining from making elective contributions under the Qualified Plan.

*Example:* Suppose that under the Qualified Plan the Company matches elective contributions at a rate of dollar-for-dollar on elective contributions equal to the first one percent of compensation and then fifty cents on the dollar for elective contributions equal to the next six percent of compensation. Thus, the maximum match is four percent of compensation, which is generated by elective contributions of seven percent or more.

Suppose the dollar limit on elective contributions under Section 402(g) of the Code is \$17,000 and the dollar limit on compensation imposed by Section 401(a)(17) of the Code is \$250,000. Suppose the Participant has actual Compensation (as defined in this Plan) of \$280,000. No assumption is necessary with regard to elective contributions made by the Participant, because whether the Participant actually made any elective contributions is irrelevant.

For the first factor, we assume elective contributions of seven percent—the rate that generates the maximum matching contribution rate of four percent under the Qualified Plan. The dollar limit on elective contributions would ordinarily prevent the Participant from making elective contributions of seven percent (as that would amount to \$17,500, whereas the 402(g) limit is \$17,000), but for this purpose we disregard the 402(g) limit.



Thus, the first factor above is four percent times \$280,000, or \$11,200. The second factor is four percent times \$250,000, or \$10,000. Thus, the matching contribution credit is \$11,200 minus \$10,000, or \$1,200.

(b) Profit Sharing Credit. For each year or portion of a year in which the employee is a Participant, the Participant shall be credited with a profit sharing contribution credit calculated as the difference (if any) between:

(i) the profit sharing contribution that would have resulted if the applicable percentage rate had been applied to the Participant's Compensation without regard to any limits imposed by the Code (such as the dollar limit on compensation taken into account under Section 401(a)(17) of the Code and the limits on annual additions under Section 415(c) of the Code), and

(ii) the actual profit sharing contribution allocated to the Participant under the Qualified Plan after application of the limitations of Section 401(a)(17) of the Code and Section 415(c) of the Code.

*Example:* Suppose that the Company made a profit sharing contribution for a particular plan year equal to two percent of compensation. The Participant had compensation of \$280,000 for that year.

The first factor above is two percent times \$280,000, or \$5,600. The second factor is two percent times \$250,000, or \$5,000. Thus, the profit sharing contribution credit under this Plan is \$5,600 minus \$5,000, or \$600.

(c) Interest Credit. The Company shall apply an interest credit each December 31 to the amounts of the matching contribution credit and the profit sharing credit that are credited to the Participant's bookkeeping account for the year then ending, as well as to any previous year's accumulated balance under this Plan, at the greater of:

(i) The calendar year's rate of return of Fidelity's Managed Income Portfolio as of December 31 of such year, or

(ii) A one-year annualized Treasury Bill interest rate as reported for the last Friday of each year.

**4.2 Form of Payment.** The entire benefit payable to a Participant will be paid in the form of a single lump sum payment on the date specified in Article III.

## SECTION V

### MISCELLANEOUS

**5.1 Plan Amendment.** Amendments to this Plan shall be made by resolution of the Board of Directors adopted in accordance with the by-laws of the Company and applicable corporation law. Alternatively, any one or more officers of the Company may adopt amendments if authority to amend the Plan has been delegated to them by the Board of Directors in accordance with the by-laws of the Company and applicable corporation law. A delegation may be general (by way of describing the general duties and responsibilities of the officers) or specific with regard to employee benefit plans such as this Plan and is not invalid merely because it was made before this Plan was established. An officer exercising delegated authority to amend the Plan shall memorialize that exercise in a writing signed by the officer.

**5.2 Employment Rights.** Nothing contained herein will confer upon any Participant the right to be retained in the service of the Company; nor will it interfere with the right of the Company to discharge or otherwise deal with any Participant without regard to the existence of this Plan.

**5.3 Unfunded Plan.** This Plan is unfunded and has no assets. There is no trust or insurance. All payments made under the Plan are made from the general assets of the Company. Participation in the Plan gives a Participant nothing more than the Company's contractual promise to pay deferred compensation when due in accordance with the terms of this Plan.

**5.4 Company Assets.** The Company is not required to segregate, maintain or invest any portion of its assets by reason of its contractual commitment to pay deferred compensation under this Plan. If the Company nevertheless chooses to establish a reserve, such reserve shall remain an asset of the Company in which no Participant or Beneficiary has any right, title or interest. Participants and Beneficiaries entitled to deferred compensation under this Plan have the status of general unsecured creditors of the Company.

**5.5 Forfeiture.** If a Participant is discharged by the Company for cause (conduct that is injurious to the Company, conduct which intentionally violates either the Company's written policies or the reasonable directives of the Company's Chief Executive Officer, or the commission of a felony) such Participant's rights to any benefit under this Plan shall be forfeited. If the Committee determines that any Participant is engaged in any trade, profession or business which is, or is likely to be, detrimental to the best interests of the Company, or if the Committee determines that such Participant has used or is using trade secrets or other confidential information gained while in the employ of the Company, the Committee may, upon written notice to the Participant, suspend or forfeit the Participant's right to any benefit under this Plan.

**5.6 Termination of Employment.** No benefits are payable under this Plan if a Participant terminates his employment for any reason other than those specifically referred to in Article III.

**5.7 Plan Administrator.** The Plan Administrator shall have all rights, duties and powers necessary or appropriate for the administration of the Plan.

**5.8 Plan Interpretation.** Subject to the restrictions imposed by Section 409A of the Code concerning the timing and form of benefits and prohibitions on acceleration, the Plan Administrator shall have and shall exercise complete discretionary authority to construe, interpret and apply all of the terms of the Plan, including all matters relating to eligibility for

benefits, amount, time or form of payment, and any disputed or allegedly doubtful terms. In exercising such discretion, the Plan Administrator shall give controlling weight to the intent of the Plan Sponsor.

**5.9 Decisions.** All decisions of the Plan Administrator in the exercise of its authority under the Plan shall be binding on the Plan, the Plan Sponsor, and all Participants and Beneficiaries if not appealed in accordance with the appeal procedure. All decisions of the Plan Administrator on appeal shall be final and binding on the Plan, the Plan Sponsor and all Participants and Beneficiaries.

**5.10 Plan Document.** Each Participant shall receive a copy of this Plan and the Committee will make available for each Participant a copy of any rules and regulations used by the Committee in the administration of the Plan.

**5.11 Participant Statements.** Each Participant will be provided an annual summary of the amount of the retirement benefit allocated to the Participant under the Plan.

**5.12 Governing Law.** This Plan is established under and will be construed according to the laws of the Commonwealth of Pennsylvania, to the extent not preempted by ERISA or other federal law.

**5.13 Clawback.** To the extent the L.B. Foster Company Amended and Restated Executive Recoupment Policy (as may be amended and restated from time to time, the "Clawback Policy") is applicable to a Participant, it creates additional rights for the Company with respect to benefits accrued under this Plan. Notwithstanding any provisions in this Plan to the contrary, benefits accrued under this Plan and such other applicable compensation will be subject to potential mandatory cancellation, forfeiture and/or repayment by the Participant to the Company to the extent the Participant is, or in the future becomes, subject to (a) any Company clawback or recoupment policy, including the Clawback Policy, and any other policies that are adopted to comply with the requirements of any applicable laws, rules, regulations, stock exchange listing standards or otherwise or (b) any applicable laws that impose mandatory clawback or recoupment requirements, under the circumstances set forth in such laws, including as required by the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act, or other applicable laws, rules, regulations or stock exchange listing standards, as may be in effect from time to time, and which may operate to create additional rights for the Company with respect to the benefits accrued under this Plan and the recovery of amounts relating thereto. By participating in this Plan, the Participants consent to be bound by the terms of the Clawback Policy, if applicable, and agree and acknowledge that they are obligated to cooperate with, and provide any and all assistance necessary to, the Company in its efforts to recover or recoup the benefits accrued under this Plan, any gains or earnings related thereto, or any other applicable compensation paid or payable under this Plan or otherwise that is subject to clawback or recoupment pursuant to such laws, rules, regulations, stock exchange listing standards or Company policy. Such cooperation and assistance shall include, but is not limited to, executing, completing and submitting any documentation necessary to facilitate the recovery or recoupment by the Company from the Participant of any such amounts, including from the Participants' accounts or from any other compensation, to the extent permissible under Section 409A of the Code.

## ARTICLE VI

### CLAIMS AND APPEAL PROCEDURES

**6.1 Claim for Benefits.** There should be no need to file a claim for benefits. The Company is expected to pay each Participant or Beneficiary automatically, in accordance with the terms of this Plan. Nevertheless, a Participant or Beneficiary may claim benefits under this Plan by filing a written claim with the Plan Administrator.

**6.2 Anti-Alienation.** A Participant's right to benefits under this Plan is not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment by creditors of the Participant or the Participant's Beneficiary.

**6.3 Appeal of Denied Claim.** If a claim is denied and the claimant disagrees and wants to pursue the matter, the claimant must file an appeal in accordance with the following procedure. A claimant cannot take any other steps unless and until the appeal procedure has been exhausted. For example, if a claim is denied and the claimant does not use the appeal procedure, the denial is conclusive and cannot be challenged, even in court. An appeal is filed by writing to the Plan Administrator stating the reasons why the claimant disagrees with the denial. An appeal must be made within 60 days after the claim was denied. In the appeal process, the claimant has the right to review the pertinent documents, to be represented by another person, including a lawyer, and to present evidence and arguments in support of the appeal.

**6.4 Decision on Appeal.** The Plan Administrator will issue a written decision on the appeal within 60 days. The Plan Administrator may, in its sole discretion, decide to hold a hearing, in which case it will issue its decision within 120 days. The decision will explain the reasoning of the Plan Administrator and refer to the specific provisions of this Plan on which the decision is based.

**L. B. FOSTER COMPANY**  
**SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN**

**As Amended and Restated Effective October 24, 2023**

**Plan Document  
and  
Summary Plan Description  
of the  
L. B. Foster Company  
Key Employee Separation Plan**

**As Amended and Restated  
Effective October 24, 2023**

**L. B. FOSTER COMPANY  
KEY EMPLOYEE SEPARATION PLAN**

**ARTICLE 1. INTRODUCTION**

1.1 Purpose. The purposes of this L. B. Foster Company Key Employee Separation Plan is to assist the Company to retain the services of key employees by providing eligible employees of the Company and its Affiliates with certain severance and welfare benefits in the event their employment is involuntarily terminated (or constructively terminated) in connection with a Change in Control. This document is designed to serve as both the Plan document and the summary plan description for the Plan. The legal rights and obligations of any person having an interest in the Plan are determined solely by the provisions of the Plan, as interpreted by the Plan Administrator.

1.2 Term of the Plan. The Plan shall generally be effective as of the Effective Date, but subject to amendment from time to time in accordance with Article 7 hereof. The Plan shall continue until terminated pursuant to Article 7 hereof.

**ARTICLE 2. DEFINITIONS**

Except as may otherwise be specified or as the context may otherwise require, the following terms shall have the respective meanings set forth below whenever used herein:

(a) "Affiliate" shall mean any parent entities, affiliated Subsidiaries and/or divisions of the Company.

(b) "Base Pay" shall mean the Participant's annual base salary rate, exclusive of bonuses, commissions, employee benefits and other incentive and/or stock-based compensation, as in effect immediately preceding the Participant's Date of Termination.

(c) "Benefit Factor" shall mean the multiple which has been assigned to each Participant for purposes of determining the Participant's benefit under Section 4.1(b).

(d) "Benefit Plans" shall mean the insurance and health and welfare benefits plans and policies to which Participant is entitled to participate.

(e) "Board" shall mean the Board of Directors of the L. B. Foster Company.

(f) "Cause" shall mean that by majority vote, the Board has determined in good faith that any of the following has occurred:

(i) Participant's conduct, by act or omission, constitutes gross negligence or willful misconduct in the performance of the duties and services required of Participant;

(ii) Participant has been convicted of, or has entered a plea of guilty or nolo contendere to, a felony, or Participant has engaged in fraudulent or criminal activity relating to the scope of Participant's employment (whether or not prosecuted);

(iii) Participant's conduct, by act or omission, constitutes a material violation of the Company's Legal and Ethical Conduct Policy Guide, as amended from time to time;

(iv) Participant's conduct, by act or omission, constitutes a continuing or repeated failure to perform the duties as requested in writing by the Participant's supervisor(s)

or the Board after Participant has been afforded a reasonable opportunity (not to exceed 30 days) to cure such breach;

(v) Participant has committed a felony or lesser crime involving moral turpitude; or

(vi) Participant's conduct constitutes a foreseeable risk that the Company and/or its Affiliates may be brought into public disgrace or disrepute in any material respect.

(g) "Change in Control" shall mean the first to occur, after the Effective Date, of any of the following:

(i) the consummation of any merger, consolidation or business combination in which the shareholders of the L.B. Foster Company immediately prior to the merger, consolidation or business combination do not own at least a majority of the outstanding equity interests of the surviving parent entity;

(ii) the sale of all or substantially all of the Company's assets in a single transaction or a series of related transactions;

(iii) the acquisition of beneficial ownership or control, directly or indirectly, through one transaction or a series of transactions (including, without limitation, power to vote) of a majority of the outstanding common stock of the Company by any "person" as such term is defined under sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended, (but excluding the Company, any trustee or other fiduciary holding securities under an employee benefit plan of the Company, and any corporation or other entity owned, directly or indirectly, by the shareholders of the L. B. Foster Company in substantially the same proportions as their ownership of shares of L.B. Foster Company's common stock); or

(iv) a contested election of directors of the Board, including with respect to directors elected under any proxy access procedures included in L.B. Foster Company's organizational documents, as a result of which or in connection with which the persons who were directors of the L.B. Foster Company before such election or nominees approved by the Board for election to the Board cease to constitute a majority of the Board.

Upon the occurrence of a Change in Control as provided above, no subsequent event or condition shall constitute a Change in Control for purposes of the Plan with the result that there can be no more than one Change in Control hereunder.

(h) "COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

(i) "COBRA Continuation Period" shall mean the continuation period for medical and dental insurance to be provided under the terms of this Plan which shall commence on the first day of the calendar month following the month in which the Date of Termination falls.

(j) "Code" shall mean the Internal Revenue Code of 1986, as amended.

(k) "Committee" shall mean the Compensation Committee of the Board, or any successor committee designated by the Board.

(l) "Company" shall mean the L. B. Foster Company, a Pennsylvania corporation, and its parent entities, Subsidiaries and Affiliates as may employ a Participant from



time to time; provided that a Subsidiary which ceases to be, directly or indirectly, through one or more intermediaries, controlling, controlled by or under common control with the L. B. Foster Company prior to a Change in Control (other than in connection with and as an integral part of a series of transactions resulting in a Change in Control) shall, automatically and without any further action, cease to be (or be a part of) the Company and its Affiliates for purposes hereof.

(m) "Covered Change in Control Termination" shall mean, with respect to a Participant, if, during the 90-day period immediately preceding a Change in Control, or on or within the two-year period immediately following a Change in Control, the occurrence of an Involuntary Termination Associated with a Change in Control.

(n) "Date of Termination" shall mean the date on which a Covered Change in Control Termination occurs.

(o) "Disability" shall mean the Participant's physical or mental incapacity, with reasonable accommodation, to perform his or her usual duties with such condition likely to remain continuously and permanently as determined by the Committee.

(p) "Effective Date" shall mean December 9, 2008.

(q) "ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

(r) "Good Reason" shall mean the Participant's Separation from Service by the Participant as a result of the occurrence, without the Participant's written consent, of one of the following events:

(i) A material reduction in the Participant's annual Base Pay (unless such reduction relates to an across-the-board reduction similarly affecting Participant and all or substantially all other executives of the Company and its Affiliates);

(ii) The Company makes or causes to be made a material adverse change in the Participant's position, authority, duties or responsibilities which results in a significant diminution in the Participant's position, authority, duties or responsibilities, excluding any change made in connection with (A) a reassignment to a New Job Position, or (B) a termination of Participant's employment with the Company for Disability, Cause, death, or temporarily as a result of Participant's incapacity or other absence for an extended period;

(iii) A relocation of the Company's principal place of business, or of Participant's own office as assigned to Participant by the Company to a location that increases Participant's normal work commute by more than 50 miles; or

(iv) Any other action by the Company that constitutes a material breach of the employment agreement, if any, under which Participant's services are to be performed.

In order for Participant to terminate for Good Reason, (A) the Company must be notified by Participant in writing within 90 days of the event constituting Good Reason, (B) the event must remain uncorrected by the Company for 30 days following such notice (the "Notice Period"), and (C) such termination must occur within 60 days after the expiration of the Notice Period.

(s) "Involuntary Termination Associated With a Change in Control" means the Participant's Separation from Service in connection with a Change in Control: (i) by the Company and any Affiliate for any reason other than (A) Cause, (B) the Participant's death, or (C) the Participant's Disability; or (ii) on account of the Participant's voluntary termination of employment for Good Reason.

(t) “New Job Position” shall mean a change in the Participant’s position, authority, duties or responsibilities with the Company or any Affiliate due to the Participant’s demonstrated inadequate or unsatisfactory performance, provided the Participant had been notified of such inadequate performance and had been given at least 30 days to cure such inadequate performance.

(u) “Notice of Termination” shall mean a notice given by the Company or Participant, as applicable, which shall indicate the specific termination provision in the Plan relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Participant’s employment under the provisions so indicated.

(v) “Participant” shall have the meaning ascribed by Article 3 hereof.

(w) “Plan” shall mean this L. B. Foster Company Key Employee Separation Plan, as it may be amended from time to time in accordance with Article 7 hereof.

(x) “Plan Administrator” shall have the meaning ascribed by Article 12 hereof.

(y) “Release” shall have the meaning ascribed by Section 4.3.

(z) “Securities Exchange Act” shall mean the Securities Exchange Act of 1934, as amended.

(aa) “Separation from Service” shall mean a Participant’s termination of employment with the Company (including all persons treated as a single employer under Section 414(b) and 414(c) of the Code) that constitutes a “separation from service” within the meaning of Section 409A of the Code and the regulations promulgated thereunder (“Section 409A”). For purposes hereof, the determination of controlled group members shall be made pursuant to the provisions of Section 414(b) and 414(c) of the Code; provided that the language “at least 50 percent” shall be used instead of “at least 80 percent” in each place it appears in Section 1563(a)(1), (2) and (3) of the Code and Treas. Reg. § 1.414(c)-2; provided, further, where legitimate business reasons exist (within the meaning of Treas. Reg. § 1.409A-1(h)(3)), the language “at least 20 percent” shall be used instead of “at least 80 percent” in each place it appears. Whether a Participant has experienced a Separation from Service will be determined based on all of the facts and circumstances and in accordance with the guidance issued under Section 409A. A Participant will be presumed to have experienced a Separation from Service when the level of bona fide services performed permanently decreases to a level less than twenty percent (20%) of the average level of bona fide services performed during the immediately preceding thirty-six (36)-month period or such other period as provided by regulation.

(ab) “Stock” shall mean the common stock, par value \$.01 per share, of the L. B. Foster Company.

(ac) “Subsidiary” shall mean any Company controlled entity.

### **ARTICLE 3. PARTICIPATION**

3.1 Employees of the Company or any Affiliate who are selected for participation by the Committee, in its sole discretion, as provided in Article 5 hereof, shall be eligible to participate in the Plan. Any such employee selected to participate in the Plan shall be referred to herein as “Participant.” The initial Participants and their respective Benefit Factors shall be selected and approved by the Committee. The Committee, in its discretion, may add Participants to the Plan and assign and approve for each of them their respective Benefit Factors, from time to time, and shall periodically review and update the list of Participants.

3.2 Notwithstanding the foregoing and subject to Section 7.2, the Committee may terminate a Participant's participation in the Plan at any time, in its sole and absolute discretion. Subject to Section 7.2, a termination of Participant's employment with the Company and any Affiliate except under the circumstances described in Section 4.1, shall automatically, with no further act on the part of the Company or any Affiliate, terminate any right of such Participant to participate, or receive any benefits under, this Plan.

#### **ARTICLE 4. BENEFITS**

4.1 Compensation and Benefits. In the event a Covered Change in Control Termination occurs with respect to a Participant, the Company shall pay and provide to the Participant the following severance benefits; provided, however, that the benefits provided under Sections 4.1(b)-(d) shall be subject to Participant's timely execution and non-revocation of the Release described in Section 4.3:

(a) (i) any Base Pay earned, accrued or owing to him or her through the Date of Termination, (ii) any individual bonuses or individual incentive compensation not yet paid, but due and payable under the Company's and/or its Affiliates' plans for years prior to the year of Participant's termination of employment, (iii) reimbursement for all reasonable and customary expenses incurred by Participant in performing services for the Company prior to the Date of Termination, subject to receipt by the Company of appropriate documentation in accordance with policies established from time to time and (iv) payment equal to the amount of accrued, but unused, vacation time in accordance with the Company's policies and practices with respect to vacation time.

(b) A lump sum cash payment equal to the applicable Benefit Factor multiplied by: (i) Participant's Base Pay in effect as of the Date of Termination; plus (ii) the Participant's target annual bonus opportunity under the L.B. Foster Company Executive Annual Incentive Compensation Plan, or any successor executive annual bonus plan thereto, for the year in which the Date of Termination occurs.

(c) To the extent permitted by applicable law and the Benefit Plans, the Company shall maintain Participant's paid coverage for medical, dental and vision insurance (through the payment of Participant's COBRA premiums) until the earlier to occur of: (i) Participant obtaining the age of 65, (ii) the date Participant is eligible for similar benefits to the benefits provided by the Benefit Plans from another employer (and Participant must provide prompt notice of eligibility with respect thereto to the Company), or (iii) the expiration of the COBRA Continuation Period (generally 18 months). During the applicable period of coverage described in the foregoing sentence, to the extent permitted by applicable law and the Benefit Plans, Participant shall be entitled to benefits, on substantially the same basis as would have otherwise been provided had Participant not been terminated and the Company will have no obligation to pay any benefits to, or premiums on behalf of, Participant after such period ends. To the extent that such benefits are available under the Benefit Plans and Participant had such coverage immediately prior to termination of employment, such continuation of benefits for Participant shall also cover Participant's dependents for so long as Participant is receiving such benefits under this Section 4.1(c). The COBRA Continuation Period for medical, dental and vision insurance under this Section 4.1(c) shall be deemed to run concurrent with the continuation period federally mandated by COBRA (generally 18 months), or any other legally mandated and applicable federal, state, or local coverage period for benefits provided to terminated employees under the health care plan(s).

(d) A lump sum cash payment of \$15,000 in order to cover the cost of outplacement assistance services for Participant and other expenses associated with seeking another employment position.

(e) All payments to be made pursuant to this Section 4.1 shall be made, in lump sum, no later than 60 days after the Date of Termination, subject, in the case of the benefits provided under Sections 4.1(b)-(d), to the execution, delivery and non-revocation of the release set forth in Section 4.3; provided, however, that all benefits due under Section 4.1(c) shall be provided as specified thereunder, and all payments due under Section 4.1(a)(ii) shall be paid no later than the time provided for under the applicable plan or arrangement in accordance with the applicable plan or arrangement terms.

4.2 Vesting of Equity. With respect to any equity awards or grants made by the Company or any Affiliate to a Participant under any applicable plan, program or award agreement, upon a termination of Participant's employment with the Company and any Affiliate pursuant to Section 4.1, the Participant's rights to any such awards will continue to be governed by and subject to the terms and conditions of the applicable plan, program or agreement, and related award agreement, if any.

4.3 Release. Notwithstanding any other provision of the Plan to the contrary, no payment or benefit otherwise provided for under or by virtue of this Article 4 of the Plan shall be paid or otherwise made available unless and until the Participant executes (no later than 45 days after the Company has provided estimates to the Participant relating to the payments to be made under the Plan) and does not revoke a general release, non-disparagement and non-competition agreement, in a form provided by the Company and substantially as attached as Exhibit A hereto (the "Release"); provided, however, the Company reserves the right to require a different or modified form of release if necessary under then applicable law to effectuate the intent of a full general release to the greatest extent permitted by law. The Company shall provide written notice to the Participant of the obligation to provide a signed Release. If the Company determines that the Participant has not fully complied with any of the terms of the Release, the Company and any Affiliate may withhold benefits described in this Article 4 of the Plan and/or discontinue the payment of such benefits and may require the Participant, by providing written notice of such repayment obligation to the Participant, to repay any portion or such benefits already received under the Plan. If the Company notifies a Participant that repayment of all or any portion of the benefits received under the Plan is required, such amounts shall be repaid within 30 calendar days of the date written notice is sent. Any remedy under this Section 4.3 shall be in addition to, and not in place of, any other remedy, including injunctive relief, that the Company and any Affiliate may have.

4.4 WARN. Notwithstanding any other provision of the Plan to the contrary, payments made pursuant to this Plan are not intended to be in addition to pay-in-lieu-of notice under the Worker Adjustment and Retraining Notification Act ("WARN"), Labor Code Section 1400 et seq., or any other applicable federal, state or local law or regulation. Should benefits under any such law or regulation become payable, payment of any benefit hereunder to a Participant as a consequence of the Participant's Covered Change in Control Termination shall be reduced accordingly or, alternatively, payments previously made under this Plan will be treated as having been paid to satisfy such other benefit obligations (other than state unemployment compensation if applicable).

4.5 Termination of Employment on Account of Disability, Cause or Death. Notwithstanding anything in this Plan to the contrary, if the Participant's employment with the Company and any Affiliate terminates on account of Disability, Cause or because of his or her death, the Participant shall not be considered to have terminated employment under Section 4.1 of this Plan and shall not receive benefits pursuant to this Article 4 of the Plan. Notwithstanding, the Participant shall be entitled to receive disability benefits under any disability program then maintained by the Company or any Affiliate that covers the Participant as provided under the terms of such disability program.

## **ARTICLE 5. ADMINISTRATION**

5.1. The Plan shall be administered by the Committee. The Committee shall be the “administrator” and a “named fiduciary” under the Plan for purposes of ERISA.

5.2. The Committee shall have the full and absolute power, authority and sole discretion to construe, interpret and administer the Plan, to make factual determinations, to correct deficiencies therein, and to supply omissions, including resolving any ambiguity or uncertainty arising under or existing in the terms and provisions of the Plan, which determinations shall be final, conclusive, and binding on the Company, its Affiliates, the Participant and any and all interested parties.

5.3. The Committee may delegate any and all of its powers and responsibilities hereunder to other persons. Any such delegation may be rescinded at any time by written notice from the Committee to the person to whom delegation is made.

5.4. The Committee shall have the full and absolute authority to employ and rely on such legal counsel, actuaries and accountants (which may also be those of the Company and its Affiliates), and other agents, designees and delegates, as it may deem advisable to assist in the administration of the Plan.

## **ARTICLE 6. PARACHUTE TAX PROVISIONS**

6.1. The provisions of this Article 6 shall apply notwithstanding anything in this Plan to the contrary. In the event that it shall be determined that any payment or distribution to or for the benefit of the Participant, whether paid or payable or distributed or distributable pursuant to the terms of this Plan or otherwise (a “Payment”), would constitute an “excess parachute payment” within the meaning of Section 280G of the Code, the Company and its Affiliates will apply a limitation on the Payment amount as specified in Section 6.2.

6.2. The aggregate present value of the Payments under Article 4 of this Plan (“Plan Payments”) shall be reduced (but not below zero) to the Reduced Amount. The “Reduced Amount” shall be an amount expressed in present value which maximizes the aggregate present value of Plan Payments without causing any Payment to be subject to the limitation of deduction under Section 280G of the Code. For purposes of this Article 6, “present value” shall be determined in accordance with Section 280G(d)(4) of the Code.

6.3. Except as set forth in the next sentence, all determinations to be made under this Article 6 shall be made by the nationally recognized independent public accounting firm used by the Company immediately prior to the Change in Control (“Accounting Firm”), which Accounting Firm shall provide its determinations and any supporting calculations to the Company and the Participant within ten (10) days of the Participant’s Date of Termination; provided, however, that, in the event the Accounting Firm will not or cannot make such a determination, the Company and its Affiliates shall select such other appropriate firm to make such determination. The value of the Participant’s non-competition covenant under Section 4 of the Release shall be determined by independent appraisal by a nationally-recognized business valuation firm, and a portion of the Plan Payments shall, to the extent of that appraised value, be specifically allocated as reasonable compensation for such non-competition covenant and shall not be treated as a parachute payment.

6.4. All of the fees and expenses of the Accounting Firm in performing the determinations referred to in this Article 6 shall be borne solely by the Company and its Affiliates.

## **ARTICLE 7. AMENDMENT AND TERMINATION**

7.1. Subject to Section 7.2, the Committee shall have the right in its discretion at any time to amend the Plan in any respect or to terminate the Plan prior to a Change in Control for any reason.

7.2. Notwithstanding any other provision of the Plan to the contrary, the Plan (including, without limitation, this Section 7.2) as applied to any particular Participant may not be amended or terminated at any time within the 90 day period immediately prior to, on or after the occurrence of a Change in Control in any manner adverse to the interests of such Participant, without the express written consent of such Participant, except in the event (a) of a termination of Participant's employment with the Company and its Affiliates under the circumstances described in Section 4.5 and/or (b) the Committee determines to amend the Plan in order to conform the provisions of the Plan with Section 409A, the regulations issued thereunder or an exception thereto, regardless of whether such modification, amendment, or termination of the Plan shall adversely affect the rights of a Participant under the Plan; and/or (c) of the Company's material noncompliance with any financial reporting requirement under the securities laws or other applicable law whereby the Company is required to prepare an accounting restatement applicable to any financial reporting period; and/or (d) a deterioration in the financial condition, revenues or profitability of the Company.

## **ARTICLE 8. EMPLOYMENT RIGHTS**

Nothing expressed or implied in this Plan will create any right or duty on the part of the Company, any Affiliate or the Participant to have the Participant remain in the employment of the Company or any Affiliate.

## **ARTICLE 9. MISCELLANEOUS**

9.1. (a) The Company and its Affiliates shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company and its Affiliates (taken as a whole) expressly to assume and agree to perform under the terms of the Plan in the same manner and to the same extent that the Company and its Affiliates would be required to perform it if no such succession had taken place (provided that such a requirement to perform which arises by operation of law shall be deemed to satisfy the requirements for such an express assumption and agreement), and in such event the Company and its Affiliates (as constituted prior to such succession) shall have no further obligation under or with respect to the Plan. Failure of the Company and its Affiliates to obtain such assumption and agreement with respect to any particular Participant prior to the effectiveness of any such succession shall be a breach of the terms of the Plan with respect to such Participant and shall constitute Good Reason for purposes of this Plan. Effective upon a transfer or assignment of this Plan, the term "Company" shall mean any successor to the Company's business or assets as aforesaid which assumes and agrees (or is otherwise required) to perform the Plan. Nothing in this Section 9.1(a) shall be deemed to cause any event or condition which would otherwise constitute a Change in Control not to constitute a Change in Control.

a. (b) To the maximum extent permitted by law, the right of any Participant or other person to any amount under the Plan may not be subject to voluntary or involuntary anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment by creditors of the Participant or such other person.

b. (c) The terms of the Plan shall inure to the benefit of and be enforceable by the personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees of each Participant. If a Participant

shall die while an amount would still be payable to the Participant hereunder if he or she had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of the Plan to the Participant's devisee, legatee or other designee or, if there is no such designee, their estate.

9.2. Except as expressly provided in Article 4 hereof, Participants shall not be required to mitigate damages or the amount of any payment or benefit provided for under the Plan by seeking other employment or otherwise, nor will any payments or benefits hereunder be subject to offset in the event a Participant does mitigate.

9.3. Payments to be made under this Plan are intended to comply with, or be excepted from coverage under, Section 409A and shall be construed accordingly. Notwithstanding any provision of this Plan to the contrary, if any benefit provided under this Plan is subject to the provisions of Section 409A (and not excepted therefrom), the provisions of the Plan shall be administered, interpreted and construed in a manner necessary to comply with Section 409A (or disregarded to the extent such provision cannot be so administered, interpreted, or construed). Accordingly, if a Participant is a "specified employee" for purposes of Section 409A (as such term is defined in Section 409A, and determined in accordance with the procedures established by the Company) and a payment subject to Section 409A to the Participant is due upon Separation from Service, such payment shall be delayed for a period of six months after the date the Participant experiences a Separation from Service (or, if earlier, the death of the Participant). Each payment under the Plan shall be treated as a separate payment for purposes of Section 409A. In no event may a Participant directly or indirectly designate the calendar year of any payment to be made under the Plan. If the maximum period during which a Participant has the ability to consider and revoke a Release hereunder would span two taxable years then, regardless of when the Participant signs the Release and the revocation period expires, payment of the severance benefits hereunder that are subject to Section 409A will be made or commence no earlier than the beginning of the second of such taxable years. The Company reserves the right to accelerate, delay or modify distributions to the extent permitted under Section 409A and other binding guidance promulgated thereunder.

9.4. Notwithstanding any provision of this Plan to the contrary, the Company shall not be liable for, and nothing provided or contained in this Plan will be construed to obligate or cause the Company to be liable for, any tax, interest or penalties imposed on a Participant related to, or arising with respect to, any violation of Section 409A.

9.5. All notices under the Plan shall be in writing, and if to the Company or the Committee, shall be delivered to the General Counsel of the L. B. Foster Company, or mailed to the L. B. Foster Company's principal office, addressed to the attention of the General Counsel of the L. B. Foster Company; and if to a Participant (or the estate or beneficiary thereof), shall be delivered personally or mailed to the Participant at the address appearing in the records of the Company and its Affiliates.

9.6. Unless otherwise determined by the Company in an applicable plan or arrangement, no amounts payable hereunder shall be deemed salary or compensation for the purpose of computing benefits under any employee benefit plan or other arrangement of the Company and/or any Affiliate for the benefit of employees unless the Company shall determine otherwise.

9.7. Participation in the Plan shall not limit any right of a Participant to receive any payments or benefits under any employee benefit or executive compensation plan of the Company and/or its Affiliates; provided that in no event shall any Participant be entitled to any payment or benefit under the Plan which duplicates a payment or benefit received or receivable by the Participant under any severance or similar plan or policy of the Company and/or its Affiliates.

9.8. Any payments hereunder shall be made out of the general assets of the Company. Each Participant shall have the status of general unsecured creditors of the Company, and the Plan constitutes a mere promise by the Company to make payments under the Plan in the future as and to the extent provided herein.

9.9. The Company shall be entitled to withhold from any payments or deemed payments any amount of tax withholding required by law.

9.10. The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision of the Plan which shall remain in full force and effect.

9.11. The use of captions in the Plan is for convenience. The captions are not intended to, and do not, provide substantive rights.

9.12. Except as otherwise preempted by the laws of the United States, the Plan shall be construed, administered and enforced according to the laws of the Commonwealth of Pennsylvania, without regard to principles of conflicts of law, and any action relating to this Plan must be brought in state and federal courts located in the Commonwealth of Pennsylvania.

## **ARTICLE 10. CLAIMS PROCEDURE**

### **Adverse Benefit Determinations**

Each terminated Participant may contest the administration of the benefits (but not the level of benefits) by completing and filing a written claim for reconsideration with the Plan Administrator within 90 days (or 45 days in the case of a claim necessitating a determination of Disability) of the time that the Participant has knowledge of the relevant facts constituting the basis for the Participant's claim. If the Plan Administrator denies a claim in whole or in part, the Plan Administrator will provide notice to the Participant, in writing, within 90 days after the claim is filed, unless the Plan Administrator determines that an extension of time for processing is required. In the event that the Plan Administrator determines that such an extension is required, written notice of the extension shall be furnished to the Participant prior to the termination of the initial 90-day period. The extension shall not exceed a period of 90 days from the end of the initial period of time and the extension notice shall indicate the special circumstances requiring an extension of time and the date by which the Plan Administrator expects to render the benefit decision. Notwithstanding the foregoing, in the case of a claim necessitating a determination of Disability, the Plan Administrator may notify the terminated employee within the initial 45-day period that the Plan Administrator needs up to an additional 30 days to review the claim. If the Plan Administrator determines that additional time is necessary to review the claim, the Plan Administrator will notify the terminated employee of an additional 30-day extension.

The written notice of a denial of a claim shall set forth, in a manner calculated to be understood by the terminated employee:

- \* the specific reason(s) for the denial;
- \* specific reference to the specific Plan provisions on which the denial is based;
- \* a description of any additional material or information which must be submitted for the Participant to perfect the claim, and an explanation of why such material or information is necessary;



- \* in the case of any claim necessitating a determination of Disability, a copy of any internal rule, guideline, protocol, or other similar criterion relied upon in making the initial determination or a statement that such a rule, guideline, protocol, or other criterion was relied upon in making the determination and that a copy of such rule will be provided to the terminated employee upon request and free of charge or a statement that such rules, guidelines, protocols, standards or other similar criteria do not exist; and
- \* an explanation of the Plans claims review procedure and the time limits applicable to such procedures, including a statement of the Participant's right to bring a civil action under section 502(a) of ERISA following an adverse benefit determination on appeal.

### **Appeal of Adverse Benefit Determinations**

The Participant or the Participant's duly authorized representative shall have an opportunity to appeal a claim denial to the "Named Appeals Fiduciary" (as described below) for a full and fair review. The Participant or the Participant's duly authorized representative may:

1. request a review upon written notice to the Plan Administrator within 60 days (or 180 days in the case of a claim necessitating a determination of Disability) after receipt of a notice of the denial of a claim for benefits;
2. submit written comments, documents, records, and other information relating to the claim for benefits; and
3. examine the Plan and obtain, upon request and without charge, copies of all documents, records, and other information relevant to the Participant's claim for benefits.

The Named Appeals Fiduciary's review shall take into account all comments, documents, records, and other information submitted by the terminated employee relating to the claim, without regard to whether such information was submitted or considered by the Plan Administrator in the initial benefit determination. A determination on the review by the Named Appeals Fiduciary will be made not later than 60 days (or 45 days in the case of a claim necessitating a determination of Disability) after receipt of a request for review, unless the Named Appeals Fiduciary determines that an extension of time for processing is required. In the event that the Named Appeals Fiduciary determines that such an extension is required, written notice of the extension shall be furnished to the terminated employee prior to the termination of the initial review period. The extension shall not exceed a period of 120 days (or 90 days in the case of a claim necessitating a determination of Disability) from the receipt of the terminated employee's notice of appeal, and the extension notice shall indicate the special circumstances requiring an extension of time and the date on which the Named Appeals Fiduciary expects to render the determination on review.

The written determination of the Named Appeals Fiduciary shall set forth, in a manner calculated to be understood by the terminated employee:

1. the specific reason or reasons for the decision;
2. specific reference to the specific Plan provisions on which the decision is based;

3. the terminated employee's right to receive, upon request and without charge, reasonable access to, and copies of, all documents, records and other information relevant to the claim for benefits;
4. in the case of any claim necessitating a determination of Disability, a copy of any internal rule, guideline, protocol, standards or other similar criterion relied upon in making the initial determination or a statement that such a rule, guideline, protocol, or other criterion was relied upon in making the determination and that a copy of such rule will be provided to the terminated employee upon request and free of charge or a statement that such rules, guidelines, protocols, standards or other similar criteria do not exist; and
5. a statement of the employee's right to bring a civil action under section 502(a) of ERISA.

#### **Requirement to Exhaust Claims Procedure**

*No person may bring an action for any alleged wrongful denial of Plan benefits in a court of law unless the claims and appeals procedures set forth above are exhausted and a final determination is made by the Plan Administrator. If the Participant or other interested person challenges a decision of the Plan Administrator, a review by the court of law will be limited to the facts, evidence and issues presented to the Plan Administrator during the claims and appeals procedure set forth above. Issues not raised with the Plan Administrator will be deemed waived. Any lawsuit claiming entitlement to benefits under the Plan, seeking clarification of any right to future benefits or alleging any other right or remedy derived from or related to the Plan shall be brought no later than six (6) months after the claims and appeals procedure has been exhausted.*

#### **ARTICLE 11. STATEMENT OF ERISA RIGHTS**

As a Participant in the Plan, each Participant is entitled to certain rights and protections under ERISA. ERISA provides that all Participants shall be entitled to:

##### **Receive Information About the Plan and Benefits**

Examine, without charge, at the Plan Administrator's office, all documents governing the Plan.

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan and an updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.

##### **Prudent Actions by Plan Fiduciaries**

In addition to creating rights for Participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of Participants and beneficiaries. No one, including a Participant's employer or any other person, may fire such Participant or otherwise discriminate against a Participant in any way to prevent such Participant from obtaining a welfare benefit or exercising such Participant's rights under ERISA. However, this rule neither guarantees continued employment, nor affects the Company's right to terminate a Participant's employment for other reasons.

### **Enforce Participant Rights**

If a Participant's claim for a benefit is denied or ignored, in whole or in part, a Participant has a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps a Participant can take to enforce the above rights. For instance, if a Participant requests a copy of Plan documents and does not receive them within 30 days, such Participant may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay such Participant up to \$110 a day until Participant receives the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If a Participant has a claim for benefits which is denied or ignored, in whole or in part, such Participant may file suit in a state or Federal court. If a Participant is discriminated against for asserting such Participant's rights, such Participant may seek assistance from the U.S. Department of Labor, or may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If a Participant is successful the court may order the person such Participant has sued to pay these costs and fees. If a Participant loses, the court may order such Participant to pay these costs and fees, for example, if it finds such Participant's claim is frivolous.

### **Assistance with Participant Question**

If a Participant has any questions about the Plan, such Participant should contact the Plan Administrator. If a Participant has any questions about this statement or about such Participant's rights under ERISA, or if a Participant needs assistance in obtaining documents from the Plan Administrator, such Participant should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in such Participant's telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. A Participant may also obtain certain publications about such Participant's rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

### **ARTICLE 12. SUMMARY INFORMATION**

The Plan is intended to be an "employee welfare benefit plan" within the meaning of Section 3(1) of ERISA, 29 U.S.C. Section 1002(1), and 29 C.F.R. Section 2510.3-2(b). The Plan is intended to be a "separation pay plan" under Section 409A of the Code in accordance with the regulations issued thereunder and related guidance, and shall be maintained, interpreted and administered accordingly. Please review Article 7 entitled "Amendment and Termination" regarding the Company's reservation of rights to amend and terminate the Plan.

**Name of Plan:** The name of the plan under which benefits are provided is the L. B. Foster Company Key Employee Separation Plan.

**Plan Sponsor:** The Sponsor of the Plan is:

L. B. Foster Company  
415 Holiday Drive  
Pittsburgh, PA 15220

**Plan Administrator:** The Plan Administrator of the Plan is:

The Compensation Committee  
L. B. Foster Company  
415 Holiday Drive  
Pittsburgh, PA 15220

**Employer Identification Number and Plan Number:** The Employer Identification Number (EIN) assigned to the Plan Sponsor by the Internal Revenue Service is 25-1324733. The Plan Number assigned to the Plan is 506.

**Type of Plan:** Severance Pay Employee Welfare Benefit Plan.

**Type of Administration:** The Plan is self-administered.

**Funding:** Benefits payable under the Plan are provided from the general assets of the Company.

**Agent for Service of Legal Process:** For disputes arising under the Plan, service of legal process may be made upon the General Counsel of Plan Sponsor.

**Plan Year:** The Plan's fiscal records are kept on a calendar year basis (January 1 through December 31).

**EXHIBIT A**

**[Sample Provisions - The Company reserves the right to require a different or modified form of release.]**

**GENERAL RELEASE, NON-DISPARAGEMENT AND NON-COMPETITION AGREEMENT**

THIS GENERAL RELEASE, NON-DISPARAGEMENT AND NON-COMPETITION AGREEMENT (the "Agreement") is made as of this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between \_\_\_\_\_ (the "Company") and \_\_\_\_\_ (the "Employee").

WHEREAS, the Employee formerly was employed by the Company;

WHEREAS, the Employee was designated by the Compensation Committee of the Board of Directors (the "Board") or its delegate of L. B. Foster Company to receive certain severance benefits in the event of a termination of Employee's employment under the circumstances set forth in the Key Employee Separation Plan (the "Plan") and;

WHEREAS, an express condition of the Employee's entitlement to the payments and benefits under the Plan is the execution without revocation of this Agreement; and

WHEREAS, the Employee and the Company mutually desire to effectuate a full and final general release of all claims and rights the Employee may have against the Company to the fullest extent permitted by law, excepting only those rights and claims that cannot, as a matter of law, be released with this Agreement; and

WHEREAS, the Employee and the Company mutually desire to terminate the Employee's employment effective \_\_\_\_\_, \_\_\_\_ ("Date of Termination"); and

WHEREAS, the Company advises the Employee to consult with an attorney before signing this Agreement.

NOW, THEREFORE, IT IS HEREBY AGREED by and between the Employee and the Company as follows:

1. General Release.

(a) To the fullest extent permitted by law, the Employee, for and in consideration of the commitments of the Company as set forth in paragraph 7 of this Agreement and the Plan, and intending to be legally bound, does hereby REMISE, RELEASE AND FOREVER DISCHARGE the Company, its affiliates, predecessors, subsidiaries and parents, and their present or former officers, directors, managers, stockholders, employees, members and agents, and its and their respective successors, assigns, heirs, executors, and administrators and the current and former trustees or administrators of any pension or other benefit plan applicable to the employees or former employees of the Company (collectively, "Releasees") from all causes of action, suits, debts, claims and demands whatsoever in law or in equity, which the Employee ever had, now has, or hereafter may have, whether known or unknown, or which the Employee's heirs, executors, or administrators may have, by reason of any matter, cause or thing whatsoever, from any time prior to the date of this Agreement, and particularly, but without limitation of the foregoing general terms, any claims arising from or relating in any way to the Employee's employment relationship with the Company, the terms and conditions of that

employment relationship, and the termination of that employment relationship, including, but not limited to, any claims arising under the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Americans with Disabilities Act, the Employee Retirement Income Security Act of 1974, the Civil Rights Act of 1991, the Genetic Information Non-Discrimination Act, the Family and Medical Leave Act, Section 1981 of U.S.C., Title VII of the Civil Rights Act, the Equal Pay Act, the Pennsylvania Human Relations Act, the Pennsylvania Equal Pay Law, the Pennsylvania Whistleblower Law, the Pennsylvania Wage Payment and Collection Law, the Pennsylvania Minimum Wage Law, the Pennsylvania Pregnancy, Childbirth and Childrearing Law; if applicable, as well as any claims for alleged wrongful discharge, discrimination or harassment, breach of an express or implied contract, breach of the implied covenant of good faith and fair dealing, defamation, intentional or negligent infliction of emotional distress, promissory estoppel, whistleblower retaliation, other personal injury, fraud or misrepresentation, invasion of privacy, negligence, retaliation, violation of public policy and any other claims under any federal, state or local common law, statutory, or regulatory provision, now or hereafter recognized, and any claims for attorneys' fees and costs. This Agreement is effective without regard to the legal nature of the claims raised and without regard to whether any such claims are based upon tort, equity, implied or express contract or discrimination of any sort. The Employee is not waiving Employee's right to vested benefits under the written terms of the Company's 401(k) Plan, claims for unemployment or workers' compensation benefits, any medical claim incurred during the Employee's employment that is payable under applicable medical plans or an employer-insured liability plan, or claims that are not otherwise waivable under applicable law.

(b) To the fullest extent permitted by law, and subject to the provisions of paragraph 11 and paragraph 13 below, the Employee represents and affirms that the Employee has not filed or caused to be filed on the Employee's behalf any charge, complaint or claim for relief against the Company or any Releasee and, to the best of the Employee's knowledge and belief, no outstanding charges, complaints or claims for relief have been filed or asserted against the Company or any Releasee on the Employee's behalf; and the Employee has not reported any improper, unethical or illegal conduct or activities to any supervisor, manager, department head, human resources representative, agent or other representative of the Company or any Releasee, to any member of the Company's or any Releasee's legal or compliance departments, or to the ethics hotline, and has no knowledge of any such improper, unethical or illegal conduct or activities. In the event that there is outstanding any such charge, complaint or claim for relief, the Employee agrees to seek its immediate withdrawal and dismissal with prejudice. In the event that for any reason said charge, complaint or claim for relief cannot be immediately withdrawn with prejudice, the Employee shall execute such other papers or documents as the Company's counsel determines may be necessary from time to time to have said charge, complaint or claim for relief dismissed with prejudice at the earliest appropriate time. Nothing herein shall prevent the Employee from testifying in any cause of action when required to do so by process of law. The Employee shall promptly inform the Company if called upon to testify on matters relating to the Company.

(c) Employee does not waive any right to file a charge with the Equal Employment Opportunity Commission ("EEOC") or participate in an investigation or proceeding conducted by the EEOC, but explicitly waives any right to file a personal lawsuit or receive monetary damages that the EEOC might recover if said charge results in an EEOC lawsuit against the Company or Releasees.

(d) Employee does not waive the right to challenge the validity of this Agreement as a release of claims arising under the federal Age Discrimination in Employment Act.

(e) Employee does not waive rights or claims that may arise after the date this Agreement is executed.

2. In consideration of the Company's agreements as set forth in paragraph 6 herein, the Employee agrees to comply with the limitations set forth in Sections 3 and 4 of this Agreement.

3. Ownership and Protection of Intellectual Property and Confidential Information.

(a) All information, ideas, concepts, improvements, innovations, developments, methods, processes, designs, analyses, drawings, reports, discoveries, and inventions, whether patentable or not or reduced to practice, which are conceived, made, developed or acquired by Employee, individually or in conjunction with others, during Employee's employment by the Company or any of its affiliates, both before and after the date hereof (whether during business hours or otherwise and whether on the Company's premises or otherwise) which relate to the business, products or services of the Company or its affiliates (including, without limitation, all such information relating to corporate opportunities, research, financial and sales data, pricing and trading terms, evaluations, opinions, interpretations, acquisition prospects, the identity of customers or their requirements, the identity of key contacts within the customer's organizations or within the organization of acquisition prospects, or marketing and merchandising techniques, prospective names, marks, and any copyrightable work, trade mark, trade secret or other intellectual property rights (whether or not composing confidential information), and all writings or materials of any type embodying any of such items (collectively, "Work Product"), shall be the sole and exclusive property of the Company or a Company affiliate, as the case may be, and shall be treated as "work for hire." It is recognized that the Employee is an experienced executive in the business of the Company and its affiliates and through several decades of prior work in the industry acquired and retains knowledge, contacts, and information which are not bound by this Section 3.

(b) The Employee shall promptly and fully disclose all Work Product to the Company and shall cooperate and perform all actions reasonably requested by the Company (whether during or after the term of employment) to establish, confirm and protect the Company's and/or its affiliates' right, title and interest in such Work Product. Without limiting the generality of the foregoing, the Employee agrees to assist the Company, at the Company's expense, to secure the Company's and its affiliates' rights in the Work Product in any and all countries, including the execution by the Employee of all applications and all other instruments and documents which the Company and/or its affiliates shall deem necessary in order to apply for and obtain rights in such Work Product and in order to assign and convey to the Company and/or its affiliates the sole and exclusive right, title and interest in and to such Work Product. If the Company is unable because of the Employee's mental or physical incapacity or for any other reason (including the Employee's refusal to do so after request therefor is made by the Company) to secure the Employee's signature to apply for or to pursue any application for any United States or foreign patents or copyright registrations covering Work Product belonging to or assigned to the Company and/or its affiliates pursuant to Section 3(a) above, then the Employee by this Agreement irrevocably designates and appoints the Company and its duly authorized officers and agents as the Employee's agent and attorney-in-fact to act for and in the Employee's behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of patents or copyright registrations thereon with the same legal force and effect as if executed by the Employee. The Employee agrees not to apply for or pursue any application for any United States or foreign patents or copyright registrations covering any Work Product other than pursuant to this paragraph in circumstances where such patents or copyright registrations are or have been or are required to be assigned to the Company or any of its affiliates.

(c) The Employee acknowledges that the businesses of the Company and its affiliates are highly competitive and that their strategies, methods, books, records, and documents, their technical information concerning their products, equipment, services, and processes, procurement procedures and pricing techniques, the names of and other information

(such as credit and financial data) concerning their former, present or prospective customers and business affiliates, all comprise confidential business information and trade secrets which are valuable, special, and unique assets which the Company and/or its affiliates use in their business to obtain a competitive advantage over their competitors. The Employee further acknowledges that protection of such confidential business information and trade secrets against unauthorized disclosure and use is of critical importance to the Company and its affiliates in maintaining their competitive position. The Employee acknowledges that by reason of the Employee's duties to, and association with, the Company and its affiliates, The Employee has had and will have access to, and has and will become informed of, confidential business information which is a competitive asset of the Company and its affiliates. The Employee hereby agrees that the Employee will not, at any time during or after his or her employment by the Company, make any unauthorized disclosure of any confidential business information or trade secrets of the Company or its affiliates, or make any use thereof, except in the carrying out of his employment responsibilities hereunder. The Employee shall take all necessary and appropriate steps to safeguard confidential business information and protect it against disclosure, misappropriation, misuse, loss and theft. Confidential business information shall not include information in the public domain (but only if the same becomes part of the public domain through a means other than a disclosure prohibited hereunder). The above notwithstanding, a disclosure shall not be unauthorized if (i) it is required by law or by a court of competent jurisdiction or (ii) it is in connection with any judicial, arbitration, dispute resolution or other legal proceeding in which Employee's legal rights and obligations as an employee or under this Agreement are at issue; provided, however, that the Employee shall, to the extent practicable and lawful in any such events, give prior notice to the Company of his or her intent to disclose any such confidential business information in such context so as to allow the Company or its affiliates an opportunity (which the Employee will not oppose) to obtain such protective orders or similar relief with respect thereto as may be deemed appropriate. Any information not specifically related to the Company and its affiliates would not be considered confidential to the Company and its affiliates.

(d) All written materials, records, and other documents made by, or coming into the possession of, the Employee during the period of Employee's employment by the Company which contain or disclose confidential business information or trade secrets of the Company or its affiliates, or which relate to the Employee's Work Product described in paragraph 3(a) above, shall be and remain the property of the Company, or its affiliates, as the case may be. Upon termination of Employee's employment, for any reason, The Employee promptly shall deliver the same, and all copies thereof, to the Company.

#### 4. Covenant Not To Compete.

In the event of the Employee's Covered Change in Control Termination (as defined in the Plan), the Company's obligations to provide the payments and benefits set forth in Article 4 of the Plan shall be expressly conditioned upon the Employee's covenants of confidentiality, not to compete and not to solicit as provided herein. In the event the Employee breaches his or her obligations to the Company as provided herein, the Company's obligations to provide the payments and benefits set forth in Article 4 of the Plan shall cease without prejudice to any other remedies that may be available to the Company.

(a) The Employee agrees that, for a period of one year following the Employee's Date of Termination (the "Non-Compete Period"), he or she will not, in association with or as an officer, principal, manager, member, advisor, agent, partner, director, material stockholder, employee or consultant of any corporation (or sub-unit, in the case of a diversified business) or other enterprise, entity or association, work on the acquisition or development of, or engage in any line of business, property or project which is, directly or indirectly, competitive with any business that the Company or any of its affiliates engages in or is planning to engage in during the term of the Employee's employment with the Company or any affiliate of the



Company, including but not limited to, the manufacture and/or distribution of products and services for the transportation and energy infrastructure sectors(the "Business"). Such restriction shall cover the Employee's activities anywhere in the contiguous United States.

(b) The Employee agrees that during the Non-Compete Period, the Employee will not solicit or induce any person who is or was employed by any of the Company or its affiliates at any time during such term or period (i) to interfere with the activities or businesses of the Company or any of its affiliates or (ii) to discontinue his or her employment with the Company or any of its affiliates.

(c) The Employee agrees that during the Non-Compete Period, the Employee will not, directly or indirectly, influence or attempt to influence any customers, distributors or suppliers of the Company or any of its affiliates to divert their business to any competitor of the Company or any of its affiliates or in any way interfere with the relationship between any such customer, distributor or supplier and the Company and/or any of its affiliates (including, without limitation, making any negative statements or communications about the Company and its affiliates). The Employee agrees that during such Non-Compete Period, the Employee will not, directly or indirectly, acquire or attempt to acquire any business in the contiguous United States to which the Company or any of its affiliates, prior to the Employee's Date of Termination, has made an acquisition proposal relating to the possible acquisition of such business by the Company or any of its affiliates, or has planned, discussed or contemplated making such an acquisition proposal (such business, an "Acquisition Target"), or take any action to induce or attempt to induce any Acquisition Target to consummate any acquisition, investment or other similar transaction with any person other than the Company or any of its affiliates.

(d) The Employee understands that the provisions of Sections 4(a), 4(b) and 4(c) hereof may limit his or her ability to earn a livelihood in a business in which he or she is involved, but as a member of the management group of the Company and its affiliates he or she nevertheless agrees and hereby acknowledges that: (i) such provisions do not impose a greater restraint than is necessary to protect the goodwill or other business interests of the Company and any its affiliates; (ii) such provisions contain reasonable limitations as to time, scope of activity, and geographical area to be restrained; and (iii) the consideration provided hereunder, including without limitation, any amounts or benefits provided under Article 4 of the Plan, is sufficient to compensate the Employee for the restrictions contained in Sections 4(a), 4(b) and 4(c) hereof. In consideration of the foregoing and in light of the Employee's education, skills and abilities, the Employee agrees that he or she will not assert that, and it should not be considered that, any provisions of Sections 4(a), 4(b) and 4(c) hereof otherwise are void, voidable or unenforceable or should be voided or held unenforceable.

(e) If, at the time of enforcement of Sections 3 or 4 of this Agreement, a court shall hold that the duration, scope, or area restrictions stated herein are unreasonable under circumstances then existing, the parties hereto agree that the maximum period, scope or geographical area reasonable under such circumstances shall be substituted for the stated period, scope or area and that the court shall be allowed and directed to revise the restrictions contained herein to cover the maximum period, scope and area permitted by law. The Employee acknowledges that he or she is a member of the Company's and its affiliates' management group with access to the Company's and its affiliates' confidential business information and his services are unique to the Company and its affiliates. The Employee therefore agrees that the remedy at law for any breach by him or her of any of the covenants and agreements set forth in Sections 3 and 4 hereof will be inadequate and that in the event of any such breach, the Company and its affiliates may, in addition to the other remedies which may be available to them at law, apply to any court of competent jurisdiction to obtain specific performance and/or injunctive relief prohibiting the Employee (together with all those persons associated with him or her) from the breach of such covenants and agreements and to enforce, or prevent any violations of, the provisions of this Agreement. In addition, in the event of a breach or violation by the Employee

of this Section 4, the Non-Compete Period set forth in this paragraph shall be tolled until such breach or violation has been cured.

(f) Each of the covenants of Sections 3 and 4 hereof are given by the Employee as part of the consideration for the benefits to be received by the Employee under the Plan and as an inducement to the Company to grant such benefits under the Plan and accept the obligations thereunder.

(g) Provisions of Section 4 hereof shall not be binding on the Employee if the Company fails to materially perform any material obligation under the Plan, including, without limitation, the material failure of the Company to make timely payments of monies due to the Employee under Article 4 of the Plan; provided, that (i) the Employee has notified the Company in writing within 30 days of the date of the failure of the Company to materially perform such material obligation and (ii) such failure remains uncorrected and/or uncontested by the Company for 15 days following the date of such notice.

5. The Employee further agrees that the Employee will not disparage or subvert the Company or any Releasee, or make any statement reflecting negatively on the Company, its affiliated corporations or entities, or any of their officers, directors, managers, members, employees, agents or representatives, including, but not limited to, any matters relating to the operation or management of the Company or any Releasee, the Employee's employment and the termination of the Employee's employment, irrespective of the truthfulness or falsity of such statement. This provision applies to all oral and written statements, including, without limitation, posts on social media.

6. In consideration for the Employee's promises, as set forth herein, the Company agrees to pay or provide to or for the Employee the payments and benefits described in the Plan, the provisions of which are incorporated herein by reference. Except as set forth in this Agreement, it is expressly agreed and understood that Releasees do not have, and will not have, any obligations to provide the Employee at any time in the future with any payments, benefits or considerations other than those recited in this paragraph, or those required by law, other than under the terms of any benefit plans which provide benefits or payments to former employees according to their terms.

7. The Employee understands and agrees that the payments, benefits and agreements provided in this Agreement are being provided to him or her in consideration for the Employee's acceptance and execution of, and in reliance upon the Employee's representations in, this Agreement. The Employee acknowledges that if the Employee had not executed this Agreement containing a release of all claims against the Releasees, including, without limitation, the covenants relating to confidentiality, non-competition and non-disparagement, the Employee would not have been entitled to the payments and benefits set forth in the Plan.

8. The Employee acknowledges and agrees that this Agreement and the Plan supersede any other agreement the Employee has with the Company or any Releasee as to the subjects set forth in this Agreement. To the extent the Employee has entered into any other enforceable written agreement with the Company or any Releasee that contains provisions that are outside the scope of this Agreement and the Plan and are not in direct conflict with the provisions in this Agreement or the Plan, the terms in this Agreement and the Plan shall not supercede, but shall be in addition to, any other such agreement. Except as set forth expressly herein, no promises or representations have been made to the Employee in connection with the termination of the Employee's employment agreement, if any, or offer letter, if any, with the Company, or the terms of this Agreement or the Plan.

9. The Employee agrees not to disclose the terms of this Agreement or the Plan to anyone, except the Employee's spouse, attorney and, as necessary, tax/financial advisor. It is

expressly understood that any violation of the confidentiality obligation imposed hereunder constitutes a material breach of this Agreement.

10. The Employee represents that the Employee does not, without the Company's prior written consent, presently have in the Employee's possession any records and business documents, whether on computer or hard copy, and other materials (including but not limited to computer disks and tapes, computer programs and software, office keys, correspondence, files, customer lists, technical information, customer information, pricing information, business strategies and plans, sales records and all copies thereof) (collectively, the "Corporate Records") provided by the Company and/or its predecessors, subsidiaries or affiliates or obtained as a result of the Employee's prior employment with the Company and/or its predecessors, subsidiaries or affiliates, or created by the Employee while employed by or rendering services to the Company and/or its predecessors, subsidiaries or affiliates. The Employee acknowledges that all such Corporate Records are the property of the Company. In addition, the Employee shall promptly return in good condition any and all Company owned equipment or property, including, but not limited to, automobiles, personal data assistants, facsimile machines, copy machines, pagers, credit cards, cellular telephone equipment, business cards, laptops, computers, and any other items requested by the Company. As of the Date of Termination, the Company will make arrangements to remove, terminate or transfer any and all business communication lines including network access, cellular phone, fax line and other business numbers.

11. Nothing in this Agreement, including the release clause, shall prohibit or restrict the Employee from initiating communications directly with, responding to any inquiries from, providing testimony before, providing confidential information to, reporting possible violations of law or regulation to, or from filing a claim or assisting with an investigation directly with a self-regulatory authority or a government agency or entity, including the U.S. Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Department of Justice, the Securities and Exchange Commission, the Congress, and any agency Inspector General (collectively, the "Regulators"), or from making other disclosures that are protected under the whistleblower provisions of state or federal law or regulation. This Agreement does not limit Employee's right to receive an award from any Regulator that provides awards for providing information relating to a potential violation of law. The Employee does not need the prior authorization of Employer to engage in conduct protected by this paragraph, and the Employee does not need to notify Employer that the Employee has engaged in such conduct. Please take notice that federal law provides criminal and civil immunity to federal and state claims for trade secret misappropriation to individuals who disclose a trade secret to their attorney, a court, or a government official in certain, confidential circumstances that are set forth at 18 U.S.C. §§ 1833(b)(1) and 1833(b)(2), related to the reporting or investigation of a suspected violation of the law, or in connection with a lawsuit for retaliation for reporting a suspected violation of the law.

12. The Employee agrees and acknowledges that the agreement by the Company described herein, and the settlement and termination of any asserted or unasserted claims against the Releasees, are not and shall not be construed to be an admission of any violation of any federal, state or local statute or regulation, or of any duty owed by any of the Releasees to the Employee.

13. The Employee agrees and recognizes that should the Employee breach any of the obligations or covenants set forth in this Agreement, the Company will have no further obligation to provide the Employee with the consideration set forth herein, and will have the right to seek repayment of all consideration paid up to the time of any such breach. Further, the Employee acknowledges in the event of a breach of this Agreement, Releasees may seek any and all appropriate relief for any such breach, including equitable relief and/or money damages, attorneys' fees and costs. Notwithstanding the foregoing, in the event the Company fails to perform any material obligation under the Plan, including, without limitation, the failure of the

Company to make timely payments of monies due to Employee under Article 4 of the Plan, this Release shall be null and void and Employee shall have the right to pursue any and all appropriate relief for any such failure, including monetary damages, attorneys' fees and costs; provided, that (i) Employee has notified the Company in writing within 30 days of the date of the failure of the Company to materially perform such material obligation and (ii) such failure remains uncorrected and/or uncontested by the Company for 15 days following the date of such notice.

14. The Employee further agrees that the Company shall be entitled to preliminary and permanent injunctive relief, without the necessity of proving actual damages, as well as to an equitable accounting of all earnings, profits and other benefits arising from any violations of this Agreement, which rights shall be cumulative and in addition to any other rights or remedies to which the Company may be entitled.

15. The Employee represents that he or she is not a Medicare Beneficiary as of the time he or she enters into this Agreement.

16. This Agreement and the obligations of the parties hereunder shall be construed, interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania.

17. The parties agree that this Agreement shall be deemed to have been made and entered into in Pittsburgh, Pennsylvania. Jurisdiction and venue in any proceeding by the Company or Employee to enforce their rights hereunder is specifically limited to any court geographically located in Pennsylvania.

18. To the extent the L.B. Foster Company Amended and Restated Executive Recoupment Policy (as may be amended and restated from time to time, the "Clawback Policy") is applicable to you, such policy creates additional rights for the Company with respect to certain compensation paid or payable to you. Notwithstanding any provisions of this Agreement to the contrary, to the extent applicable, certain compensation paid or payable hereunder or under other plans and arrangements maintained by the Company and its affiliates will be subject to potential mandatory cancellation, forfeiture and/or repayment by you to the Company to the extent that you are, or in the future become, subject to (a) any Company clawback or recoupment policy, including the Clawback Policy, and any other policies that are adopted to comply with the requirements of any applicable laws, rules, regulations, stock exchange listing standards or otherwise, or (b) any applicable laws that impose mandatory clawback or recoupment requirements under the circumstances set forth in such laws, including as required by the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act, or other applicable laws, rules, regulations, or stock exchange listing standards, as may be in effect from time to time, and which may operate to create additional rights for the Company with respect to certain compensation paid or payable to you and the recovery of amounts relating thereto. By executing this Agreement, you consent to be bound by the terms of the Clawback Policy, if applicable, and agree and acknowledge that you are obligated to cooperate with, and provide any and all assistance necessary to, the Company in its efforts to recover or recoup any compensation paid or payable under this Agreement or any other applicable compensation that is subject to clawback or recoupment pursuant to such laws, rules, regulations, stock exchange listing standards or Company policy. Such cooperation and assistance shall include, but is not limited to, executing, completing and submitting any documentation necessary to facilitate the recovery or recoupment by the Company from you of any such amounts, including from your accounts or from any other compensation, to the extent permissible under Section 409A of the Internal Revenue Code of 1986, as amended.

19. The Employee certifies and acknowledges as follows:

(a) That the Employee has read the terms of this Agreement, and that the Employee understands its terms and effects, including the fact that the Employee has agreed to RELEASE AND FOREVER DISCHARGE the Releasees from any legal action arising out of the Employee's employment relationship with the Company and the termination of that employment relationship; and

(b) That the Employee has signed this Agreement voluntarily and knowingly in exchange for the consideration described herein, which the Employee acknowledges is adequate and satisfactory to him or her and which the Employee acknowledges is in addition to any other benefits to which the Employee is otherwise entitled; and

(c) That the Company advises the Employee (in this writing) to consult with an attorney before signing this Agreement; and

(d) That the Employee does not waive rights or claims that may arise after the date this Agreement is executed; and

(e) That the Company has provided Employee with a period of forty-five (45)<sup>1</sup> days within which to consider this Agreement, and that the Employee has signed on the date indicated below after concluding that this General Release, Non-Disparagement and Non-Competition Agreement is satisfactory to Employee; and

(f) The Employee acknowledges that this Agreement may be revoked by him within seven (7) days after execution, and it shall not become effective until the expiration of such seven (7) day revocation period. The Employee may revoke the Agreement by sending a statement that he or she is revoking this Agreement, addressed and delivered to **[NAME], [TITLE], [MAILING ADDRESS], [EMAIL ADDRESS], [FAX NO., IF ANY]**. In the event of a timely revocation by the Employee, this Agreement will be deemed null and void and the Company will have no obligations hereunder.

***[SIGNATURE PAGE FOLLOWS]***

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<sup>1</sup> This could be 21 days unless separation is part of a group separation. Notably, if this is part of a group separation, additional information would be required to be included with the release regarding the job titles and ages of others in the group and others who were considered for the plan but who are not part of the group.

Intending to be legally bound hereby, the Employee and the Company executed the foregoing General Release, Non-Disparagement and Non-Competition Agreement this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_ Witness:\_\_\_\_  
EMPLOYEE

**[COMPANY]**

By:\_\_\_\_ Witness:\_\_\_\_  
Name:\_\_\_\_  
Title:\_\_\_\_

**L.B. Foster Company**  
**Amended and Restated Executive Recoupment Policy**  
**Effective October 24, 2023**

**Purpose**

As required pursuant to the listing standards of the Nasdaq Stock Market LLC (the “**Stock Exchange**”), Section 10D of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and Rule 10D-1 under the Exchange Act, the Compensation Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of the L.B. Foster Company (the “**Company**”) has adopted this Amended and Restated Executive Recoupment Policy (the “**Policy**”) to empower the Company to recover Covered Compensation (as defined below) erroneously awarded to a Covered Officer (as defined below) in the event of an Accounting Restatement (as defined below).

Notwithstanding anything in this Policy to the contrary, at all times, this Policy remains subject to interpretation and operation in accordance with the final rules and regulations promulgated by the U.S. Securities and Exchange Commission (the “**SEC**”), the final listing standards adopted by the Stock Exchange, and any applicable SEC or Stock Exchange guidance or interpretations issued from time to time regarding such Covered Compensation recovery requirements (collectively, the “**Final Guidance**”). Questions regarding this Policy should be directed to the Senior Vice President, Human Resources and Administration.

**Policy Statement**

Unless a Clawback Exception (as defined below) applies, the Company will recover reasonably promptly from each Covered Officer the Covered Compensation Received (as defined below) by such Covered Officer in the event that the Company is required to prepare an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (each, an “**Accounting Restatement**”). If a Clawback Exception applies with respect to a Covered Officer, the Company may forgo such recovery under this Policy from such Covered Officer.

**Covered Officers**

For purposes of this Policy, “**Covered Officer**” is defined as any current or former “Section 16 officer” of the Company within the meaning of Rule 16a-1(f) under the Exchange Act, as determined by the Board or the Committee. Covered Officers include, at a minimum, “executive officers” as defined in Rule 3b-7 under the Exchange Act and identified under Item 401(b) of Regulation S-K.

**Covered Compensation**

For purposes of this Policy:

- “**Covered Compensation**” is defined as the amount of Incentive-Based Compensation (as defined below) Received during the applicable Recovery Period (as defined below) that exceeds the amount of Incentive-Based Compensation that otherwise would have been Received during such Recovery Period had it been determined based on the relevant restated amounts, and computed without regard to any taxes paid.

Incentive-Based Compensation Received by a Covered Officer will only qualify as Covered Compensation if: (i) it is Received on or after October 2, 2023; (ii) it is Received after such Covered Officer begins service as a Covered Officer; (iii) such Covered Officer served as a Covered Officer at any time during the performance period for such Incentive-Based Compensation; and (iv) it is Received while the Company has a class of securities listed on a national securities exchange or a national securities association.

For Incentive-Based Compensation based on stock price or total shareholder return, where the amount of erroneously awarded Covered Compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement, the amount of such Incentive-Based Compensation that is deemed to be Covered Compensation will be based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total shareholder return upon which the Incentive-Based Compensation was Received, and the Company will maintain and provide to the Stock Exchange documentation of the determination of such reasonable estimate.

- **“Incentive-Based Compensation”** is defined as any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure (as defined below). For purposes of clarity, Incentive-Based Compensation includes compensation that is in any plan, other than tax-qualified retirement plans, including long term disability, life insurance, and supplemental executive retirement plans, and any other compensation that is based on such Incentive-Based Compensation, such as earnings accrued on notional amounts of Incentive-Based Compensation contributed to such plans.
- **“Financial Reporting Measure”** is defined as a measure that is determined and presented in accordance with the accounting principles used in preparing the Company’s financial statements, and any measures that are derived wholly or in part from such measures. Stock price and total shareholder return are also Financial Reporting Measures.
- Incentive-Based Compensation is deemed **“Received”** in the Company’s fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation award is attained, even if the payment or grant of the Incentive-Based Compensation occurs after the end of that period.

### **Recovery Period**

For purposes of this Policy, the applicable **“Recovery Period”** is defined as the three completed fiscal years immediately preceding the Trigger Date (as defined below) and, if applicable, any transition period resulting from a change in the Company’s fiscal year within or immediately following those three completed fiscal years (provided, however, that if a transition period between the last day of the Company’s previous fiscal year end and the first day of its new fiscal year comprises a period of nine to 12 months, such period would be deemed to be a completed fiscal year).

For purposes of this Policy, the **“Trigger Date”** as of which the Company is required to prepare an Accounting Restatement is the earlier to occur of: (i) the date that the Board, applicable Board committee, or officers authorized to take action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare the Accounting Restatement or (ii) the date a court, regulator, or other legally authorized body directs the Company to prepare the Accounting Restatement.

### **Clawback Exceptions**

The Company is required to recover all Covered Compensation Received by a Covered Officer in the event of an Accounting Restatement unless (i) one of the following conditions are met and (ii) the Committee has made a determination that recovery would be impracticable in accordance with Rule 10D-1 under the Exchange Act (under such circumstances, a **“Clawback Exception”** applies):

- the direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered (and the Company has already made a reasonable attempt to recover such erroneously awarded Covered Compensation from such Covered Officer, has documented such reasonable attempt(s) to recover, and has provided such documentation to the Stock Exchange);
- recovery would violate home country law that was adopted prior to November 28, 2022 (and the Company has already obtained an opinion of home country counsel, acceptable to the Stock Exchange, that recovery would result in such a violation, and provided such opinion to the Stock Exchange); or
- recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of Section 401(a)(13) or Section 411(a) of the Internal Revenue Code and regulations thereunder. For purposes of clarity, this Clawback Exception only applies to tax-qualified retirement plans and does not apply to other plans, including long term disability, life insurance, and supplemental executive retirement plans, or any other compensation that is based on Incentive-Based Compensation in such plans, such as earnings accrued on notional amounts of Incentive-Based Compensation contributed to such plans.

### **Prohibitions**

The Company is prohibited from paying or reimbursing the cost of insurance for, or indemnifying, any Covered Officer against the loss of erroneously awarded Covered Compensation.



## **Administration and Interpretation**

The Committee will administer this Policy in accordance with the Final Guidance, and will have full and exclusive authority and discretion to supplement, amend, repeal, interpret, terminate, construe, modify, replace and/or enforce (in whole or in part) this Policy, including the authority to correct any defect, supply any omission or reconcile any ambiguity, inconsistency or conflict in the Policy, subject to the Final Guidance. This Policy is in addition to and is not intended to change or interpret any federal or state law or regulation, including the Pennsylvania Business Corporation Law, the Articles of Incorporation of the Company, or the Bylaws of the Company. The Committee will review the Policy from time to time and will have full and exclusive authority to take any action it deems appropriate.

The Committee will have the authority to offset any compensation or benefit amounts that become due to the applicable Covered Officers to the extent permissible under Section 409A of the Internal Revenue Code of 1986, as amended, and as it deems necessary or desirable to recover any Covered Compensation.

Each current Covered Officer and future Covered Officer, upon being so designated or assuming such position, is required to execute and deliver to the Senior Vice President, Human Resources and Administration an acknowledgment of and consent to this Policy, in a form reasonably acceptable to and provided by the Company from time to time, (i) acknowledging and consenting to be bound by the terms of this Policy, (ii) agreeing to fully cooperate with the Company in connection with any of such Covered Officer's obligations to the Company pursuant to this Policy, and (iii) agreeing that the Company may enforce its rights under this Policy through any and all reasonable means permitted under applicable law as it deems necessary or desirable under this Policy.

## **Disclosure**

This Policy, and any recovery of Covered Compensation by the Company pursuant to this Policy that is required to be disclosed in the Company's filings with the SEC, will be disclosed as required by the Securities Act of 1933, as amended, the Exchange Act, and related rules and regulations, including the Final Guidance.

**L.B. Foster Company**

**Amended and Restated Executive Recoupment Policy Acknowledgment and Consent**

The undersigned hereby acknowledges that he or she has received and reviewed a copy of the Amended and Restated Executive Recoupment Policy (the "**Policy**") of L.B. Foster Company (the "**Company**"), effective as of October 24, 2023, as adopted by the Compensation Committee of the Company's Board of Directors.

Pursuant to such Policy, the undersigned hereby:

- acknowledges that he or she has been designated as (or assumed the position of) a Covered Officer (as defined in the Policy);
- acknowledges and consents to the Policy;
- acknowledges and consents to be bound by the terms of the Policy;
- agrees to fully cooperate with the Company in connection with any of the undersigned's obligations to the Company pursuant to the Policy, including, without limitation, the repayment by or recovery from the undersigned of Covered Compensation (as defined in the Policy); and
- agrees that the Company may enforce its rights under the Policy through any and all reasonable means permitted under applicable law as the Company deems necessary or desirable under the Policy.

**ACKNOWLEDGED AND AGREED:**

\_\_\_\_\_  
Name:

Date:

**L.B. FOSTER COMPANY**  
**2022 EQUITY AND INCENTIVE COMPENSATION PLAN**  
**EFFECTIVE JUNE 2, 2022**  
**AMENDED OCTOBER 24, 2023**

1. **Purpose.** The purpose of this Plan is to permit award grants to non-employee Directors, officers and other employees of the Company and its Subsidiaries, and certain Consultants to the Company and its Subsidiaries, and to provide to such persons incentives and rewards for service and/or performance.

2. **Definitions.** Except as otherwise provided herein, the following are the definitions used in this Plan:

(a) “Affiliate” means a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified.

(b) “Appreciation Right” means a right granted pursuant to **Section 5** of this Plan.

(c) “Base Price” means the price to be used as the basis for determining the Spread upon the exercise of an Appreciation Right.

(d) “Board” means the Board of Directors of the Company.

(e) “Cash Incentive Award” means a cash award granted pursuant to **Section 8** of this Plan.

(f) “Change in Control” has the meaning set forth in **Section 12** of this Plan.

(g) “Clawback Policy” means the L.B. Foster Company Amended and Restated Executive Recoupment Policy (as may be amended and restated from time to time).

(h) “Code” means the Internal Revenue Code of 1986, as amended from time to time, and the regulations thereunder, as such law and regulations may be amended from time to time.

(i) “Committee” means the Compensation Committee of the Board (or its successor(s)), or any other committee of the Board designated by the Board to administer this Plan pursuant to **Section 10** of this Plan. Each member of the Committee shall qualify as (i) an “independent” director under the applicable definition of the Nasdaq Stock Market or other securities exchange upon which the Common Stock is listed and (ii) a “non-employee director” within the meaning of Rule 16b-3 of the Exchange Act.

(j) “Common Stock” means the common stock, par value \$0.01 per share, of the Company or any security into which such common stock may be changed by reason of any transaction or event of the type referred to in **Section 11** of this Plan.

(k) “Company” means L.B. Foster Company, a Pennsylvania corporation, and its successors.

(l) “Consultant” means a natural person that provides bona fide services to the Company and/or its Affiliates; provided, however, that a Consultant shall not include a person whose services are in connection with the offer or sale of the Company’s securities in a

capital-raising transaction including, directly or indirectly, the promotion or maintenance of a market for the Company's securities.

(m) "Date of Grant" means the date provided for by the Committee on which a grant of Option Rights, Appreciation Rights, Performance Shares, Performance Units, Cash Incentive Awards, or other awards contemplated by **Section 9** of this Plan, or a grant or sale of Restricted Stock, Restricted Stock Units, or other awards contemplated by **Section 9** of this Plan, will become effective (which date will not be earlier than the date on which the Committee takes action with respect thereto).

(n) "Director" means a member of the Board.

(o) "Disability" means permanently and totally disabled as defined in Section 22(e)(3) of the Code (or any successor section); provided, however, if an award is subject to Section 409A of the Code (and not excepted therefrom) and a Disability is a distribution event under Section 409A for purposes of the award, the foregoing definition of Disability shall be interpreted, administered and construed in a manner necessary to ensure that the occurrence of any such event qualifies as a Disability within the meaning of Treasury Regulation §1.409A-3(i)(4)(i).

(p) "Effective Date" means the date this Plan is approved by the Shareholders.

(q) "Evidence of Award" means an agreement, certificate, resolution or other type or form of writing or other evidence approved by the Committee that sets forth the terms and conditions of an award granted under this Plan. An Evidence of Award may be in an electronic medium, may be limited to notation on the books and records of the Company and, unless otherwise determined by the Committee, need not be signed by a representative of the Company or a Participant.

(r) "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time, and the rules and regulations thereunder, as such law, rules and regulations may be amended from time to time.

(s) "Incentive Stock Option" means an Option Right that is intended to qualify as an "incentive stock option" under Section 422 of the Code or any successor provision.

(t) "Market Value per Share" means, as of any particular date, the closing price of a share of Common Stock as reported for that date on the Nasdaq Stock Market or, if the Common Stock is not then listed on the Nasdaq Stock Market, on any other national securities exchange on which the Common Stock is listed, or if there are no sales on such date, on the trading day before which a sale occurred. If there is no regular public trading market for the Common Stock, then the Market Value per Share shall be the fair market value as determined in good faith by the Committee. The Committee is authorized to adopt another fair market value pricing method provided such method is stated in the applicable Evidence of Award and is in compliance with the fair market value pricing rules set forth in Section 409A of the Code.

(u) "Optionee" means the optionee named in an Evidence of Award evidencing an outstanding Option Right.

(v) "Option Price" means the purchase price payable on exercise of an Option Right.

(w) "Option Right" means the right to purchase Common Stock upon exercise of an award granted pursuant to **Section 4** of this Plan.

(x) “Participant” means a person who is selected by the Committee to receive benefits under this Plan and who is at the time (i) a non-employee Director, (ii) an officer or other employee of the Company or any Subsidiary, including a person who has agreed to commence serving in such capacity within 90 days of the Date of Grant, or (iii) a Consultant.

(y) “Performance Objectives” means one or more of the financial and/or operational performance goals or objectives established pursuant to this Plan for Participants who have received grants of Performance Shares, Performance Units or Cash Incentive Awards or, when so determined by the Committee, Option Rights, Appreciation Rights, Restricted Stock, Restricted Stock Units, dividend equivalents or other awards pursuant to this Plan and include, but are not limited to, objectives related to cash flow; cash flow from operations; earnings (including, but not limited to, earnings before interest, taxes, depreciation, and amortization or some variation thereof); earnings per share, diluted or basic; earnings per share from continuing operations; net asset turnover; inventory turnover; days sales outstanding on receivables; capital expenditures; debt; debt reduction; working capital (including as a percentage of sales); return on investment; return on sales; return on invested capital; net or gross sales; economic profit; gross profit on sales; material gross profit (gross profit on material portion of sales); performance profit (operating income minus an allocated charge approximating the Company’s cost of capital, before or after tax); purchase variance; delivery variance; quality; customer satisfaction; comparable site sales; market share; economic value added; cost of capital; change in assets; expense reduction levels; productivity; delivery performance; safety record and/or performance; environmental record and/or performance; stock price; return on equity or capital employed; total shareholder return or relative increases to shareholder return; return on capital; return on assets or net assets; revenue; revenue growth; income or net income; operating income or net operating income; operating income adjusted for management fees and depreciation and amortization; pre-tax income (including on an as-adjusted basis); operating profit or net operating profit; non-performing assets; asset sale targets; value of assets; employee retention/attrition rates; investments; regulatory compliance; satisfactory internal or external audits; improvement of financial ratings; value creation; gross margin, operating margin or profit margin; margin growth; completion of acquisitions, business expansion, product diversification, and new or expanded market penetration; growth or growth rate; employee recruitment, engagement, retention and satisfaction; diversity; environmental and social measures; human resources management, and any combination of the foregoing, applied to either the Company as a whole or to a business unit or subsidiary entity thereof, either individually, alternatively or in any combination, and any of which may be measured either in absolute terms, relative to a pre-established target, as compared to any incremental increase, as compared to previous years’ results or as compared to results of a designated comparison group. If the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company, or the manner in which it conducts its business, or other events or circumstances render the Performance Objectives unsuitable, the Committee may in its discretion modify such Performance Objectives or the goals or actual levels of achievement regarding the Performance Objectives, in whole or in part, as the Committee deems appropriate and equitable.

(z) “Performance Period” means, in respect of a Cash Incentive Award, Performance Share or Performance Unit, a period of time established pursuant to **Section 8** of this Plan within which the Performance Objectives relating to such Cash Incentive Award, Performance Share or Performance Unit are to be achieved.

(aa) “Performance Share” means a bookkeeping entry that records the equivalent of one share of Common Stock awarded pursuant to **Section 8** of this Plan, and may be payable in cash, Common Stock or a combination thereof.

(ab) “Performance Unit” means a bookkeeping entry award granted pursuant to **Section 8** of this Plan that records a unit equivalent to \$1.00 or such other value as is

determined by the Committee, and may be payable in cash, Common Stock or a combination thereof.

(ac) “Plan” means this L.B. Foster Company 2022 Equity and Incentive Compensation Plan, as may be amended or amended and restated from time to time.

(ad) “Predecessor Plan” means the L.B. Foster Company 2006 Omnibus Incentive Plan As Amended and Restated on May 24, 2018.

(ae) “Restricted Stock” means Common Stock granted or sold pursuant to **Section 6** of this Plan as to which neither the substantial risk of forfeiture nor the prohibition on transfer has expired.

(af) “Restricted Stock Units” means an award made pursuant to **Section 7** of this Plan of the right to receive Common Stock, cash or a combination thereof at the end of the applicable Restriction Period.

(ag) “Restriction Period” means the period of time during which Restricted Stock Units are subject to restrictions, as provided in **Section 7** of this Plan.

(ah) “Retirement” or “Retire” means retirement of a Participant as determined and authorized by the Committee.

(ai) “Separation from Service” and “Separate from Service” shall mean a Participant’s death, Retirement or other termination of employment or service with the Company (including all persons treated as a single employer under Sections 414(b) and 414(c) of the Code) that constitutes a “separation from service” within the meaning of Section 409A of the Code. For purposes hereof, the determination of controlled group members shall be made pursuant to the provisions of Sections 414(b) and 414(c) of the Code; provided that the language “at least 50 percent” shall be used instead of “at least 80 percent” in each place it appears in Sections 1563(a)(1),(2) and (3) of the Code and Treasury Regulation §1.414(c)-2; provided, further, where legitimate business reasons exist (within the meaning of Treasury Regulation §1.409A-1(h)(3)), the language “at least 20 percent” shall be used instead of “at least 80 percent” in each place it appears. Whether a Participant has Separated from Service will be determined based on all of the facts and circumstances and, to the extent applicable to any award or benefit, in accordance with the guidance issued under Section 409A of the Code. A Participant will be presumed to have experienced a Separation from Service when the level of bona fide services performed permanently decreases to a level less than twenty percent (20%) of the average level of bona fide services performed during the immediately preceding thirty-six (36) month period or such other applicable period as provided by Section 409A of the Code.

(aj) “Shareholder” means an individual or entity that owns one or more shares of Common Stock.

(ak) “Spread” means the excess of the Market Value per Share on the date when an Appreciation Right is exercised over the Base Price provided for with respect to the Appreciation Right.

(al) “Subsidiary” means a corporation, company or other entity (i) of which more than 50% of the outstanding shares or securities (representing the right to vote for the election of directors or other managing authority) are, or (ii) which does not have outstanding shares or securities (as may be the case in a partnership, joint venture, limited liability company, unincorporated association or other similar entity), but more than 50% of whose ownership interest representing the right generally to make decisions for such other entity is, now or

hereafter, owned or controlled, directly or indirectly, by the Company; provided, however, that for purposes of determining whether any person may be a Participant for purposes of any grant of Incentive Stock Options, “Subsidiary” means any corporation in which the Company at the time owns or controls, directly or indirectly, more than 50% of the total combined Voting Power represented by all classes of stock issued by such corporation.

(am) “Substitute Award” means awards made in substitution for or in conversion of, or in connection with the assumption of, awards held by awardees of an entity engaging in a corporate acquisition or merger with the Company or any Subsidiary, as provided in **Section 22** of this Plan.

(an) “Termination for Cause” or “Cause” means: (i) willful neglect of or material failure to properly perform the duties and responsibilities assigned to a Participant or the material failure of a Participant to comply with proper directives of such Participant’s supervisor(s) or the Board, as applicable; (ii) an act of dishonesty or disloyalty relating to the business and affairs of the Company and/or its Subsidiaries or their relationship with their respective employees, suppliers, customers or others having a business relationship with the Company and/or its Subsidiaries; (iii) conviction of a crime involving fraud, theft, intentional dishonesty, moral turpitude or similar conduct; (iv) misappropriation of any funds or property of the Company and/or its Subsidiaries or actions which are inconsistent with a Participant’s fiduciary obligations to the Company and/or its Subsidiaries; (v) material failure to abide by any of the Company’s and/or its Subsidiaries’ policies; or (vi) any other action or course of conduct by a Participant which has or reasonably can be expected to have a material adverse effect on the Company and its Subsidiaries, and their respective businesses or affairs. The Committee shall make all determinations of whether a Participant was Terminated for Cause and any such determination shall be final and conclusive.

(ao) “Voting Power” means, at any time, the combined voting power of the then-outstanding securities entitled to vote generally in the election of Directors in the case of the Company or members of the board of directors or similar body in the case of another entity.

### 3. **Shares Available Under this Plan.**

#### (a) Maximum Shares Available Under this Plan.

- (i) Subject to adjustment as provided in **Section 11** of this Plan and the share counting rules set forth in **Section 3(b)** of this Plan, the number of shares of Common Stock available under this Plan for awards of (A) Option Rights or Appreciation Rights, (B) Restricted Stock, (C) Restricted Stock Units, (D) Performance Shares or Performance Units, (E) awards contemplated by **Section 9** of this Plan, or (F) dividend equivalents paid with respect to awards made under this Plan will not exceed, in the aggregate, (x) 765,000 shares of Common Stock, plus (y) the total number of shares of Common Stock remaining available for awards under the Predecessor Plan (but not reserved for outstanding awards under the Predecessor Plan) as of the Effective Date plus (z) the shares of Common Stock that are subject to awards granted under this Plan or the Predecessor Plan that are added (or added back, as applicable) to the aggregate number of shares of Common Stock available under this **Section 3(a)(i)** pursuant to the share counting rules of this Plan. Such shares may be shares of original issuance or treasury shares or a combination of the foregoing.

- (ii) Subject to the share counting rules set forth in **Section 3(b)** of this Plan, the aggregate number of shares of Common Stock available under **Section 3(a)(i)** of this Plan will be reduced by one share of Common Stock for every one share of Common Stock subject to an award granted under this Plan.

(b) Share Counting Rules.

- (i) Except as provided in **Section 22** of this Plan or in this **Section 3(b)**, if any award granted under this Plan (in whole or in part) is cancelled or forfeited, expires, is settled for cash, or is unearned, the Common Stock subject to such award will, to the extent of such cancellation, forfeiture, expiration, cash settlement, or unearned amount, again be available under **Section 3(a)(i)** above.
- (ii) If, after the Effective Date, any Common Stock subject to an award granted under the Predecessor Plan is forfeited, or an award granted under the Predecessor Plan (in whole or in part) is cancelled or forfeited, expires, is settled for cash, or is unearned, the Common Stock subject to such award will, to the extent of such cancellation, forfeiture, expiration, cash settlement, or unearned amount, be available for awards under this Plan.
- (iii) Notwithstanding anything to the contrary contained in this Plan: (A) shares of Common Stock withheld by the Company, tendered or otherwise used in payment of the Option Price of an Option Right (or the option price of an option granted under the Predecessor Plan) will not be added (or added back, as applicable) to the aggregate number of shares of Common Stock available under **Section 3(a)(i)** of this Plan; (B) shares of Common Stock withheld by the Company, tendered or otherwise used to satisfy tax withholding will not be added (or added back, as applicable) to the aggregate number of shares of Common Stock available under **Section 3(a)(i)** of this Plan; (C) shares of Common Stock subject to a share-settled Appreciation Right that are not actually issued in connection with the settlement of such Appreciation Right on the exercise thereof will not be added back to the aggregate number of shares of Common Stock available under **Section 3(a)(i)** of this Plan; and (D) shares of Common Stock reacquired by the Company on the open market or otherwise using cash proceeds from the exercise of Option Rights will not be added (or added back, as applicable) to the aggregate number of shares of Common Stock available under **Section 3(a)(i)** of this Plan.
- (iv) If, under this Plan, a Participant has elected to give up the right to receive cash compensation in exchange for Common Stock based on fair market value, such Common Stock will not count against the aggregate limit under **Section 3(a)(i)** of this Plan.

(c) Limit on Incentive Stock Options. Notwithstanding anything to the contrary contained in this Plan, and subject to adjustment as provided in **Section 11** of this Plan, the aggregate number of shares of Common Stock actually issued or transferred by the Company upon the exercise of Incentive Stock Options will not exceed 765,000 shares of Common Stock.



(d) Non-Employee Director Compensation Limit. Notwithstanding anything to the contrary contained in this Plan, in no event will any non-employee Director in any one calendar year be granted aggregate compensation, in the form of cash and/or equity, for such service having an aggregate maximum value (measured at the Date of Grant as applicable, and calculating the value of any awards based on the grant date fair value for financial reporting purposes) in excess of \$500,000.

(e) Minimum Vesting Requirement. Except in the case of Substitute Awards and Cash Incentive Awards, awards granted under this Plan to Participants shall either be subject to a minimum vesting or minimum performance period, in the case of Performance Shares and Performance Units, of one year. Notwithstanding the foregoing or any other provision of this Plan, (i) the Committee may authorize acceleration of vesting or continued vesting of such awards in the event of the Participant's death, disability, termination of employment or service or the occurrence of a Change in Control, (ii) the Committee may exercise its authority under Section 18(c) at any time following the grant of an award, (iii) the Committee may grant awards without the above-described minimum requirements with respect to awards covering up to 5% of the aggregate number of shares authorized for issuance under this Plan, and (iv) with respect to awards granted to non-employee Directors, the vesting of such awards will be deemed to satisfy the minimum vesting requirement to the extent that the awards vest based on the approximate one-year period beginning on each regular annual meeting of the Company's shareholders and ending on the date of the next regular annual meeting of the Company's shareholders (provided, however, that such approximate one-year period with respect to awards granted to non-employee Directors may not be less than 50 weeks).

4. **Option Rights**. The Committee may, from time to time and upon such terms and conditions as it may determine, authorize the granting to Participants of Option Rights. Each such grant may utilize any or all of the authorizations, and will be subject to all of the requirements, contained in the following provisions:

(a) Each grant will specify the number of shares of Common Stock to which it pertains subject to the limitations set forth in **Section 3** of this Plan.

(b) Each grant will specify an Option Price per share of Common Stock, which Option Price (except with respect to awards under **Section 22** of this Plan) may not be less than the Market Value per Share on the Date of Grant.

(c) Each grant will specify whether the Option Price will be payable (i) in cash, by check acceptable to the Company or by wire transfer of immediately available funds, (ii) by the actual or constructive transfer to the Company of Common Stock owned by the Optionee having a value at the time of exercise equal to the total Option Price, (iii) subject to any conditions or limitations established by the Committee, by the withholding of Common Stock otherwise issuable upon exercise of an Option Right pursuant to a "net exercise" arrangement, (iv) by a combination of such methods of payment, or (v) by such other methods as may be approved by the Committee.

(d) To the extent permitted by law, any grant may provide for deferred payment of the Option Price from the proceeds of sale through a bank or broker on a date satisfactory to the Company or some or all of the shares of Common Stock to which such exercise relates.

(e) Each grant will specify the period or periods of continuous service by the Optionee with the Company or any Subsidiary, if any, that is necessary before any Option Rights or installments thereof will vest. Subject to Section 3(e), any grant may provide for continued

vesting or the earlier vesting of such Option Rights, and any other terms consistent with the terms of this Plan.

(f) Any grant of Option Rights may specify Performance Objectives regarding the vesting of such rights.

(g) Option Rights granted under this Plan may be (i) options, including Incentive Stock Options, that are intended to qualify under particular provisions of the Code, (ii) options that are not intended to so qualify, or (iii) combinations of the foregoing. Incentive Stock Options may only be granted to Participants who meet the definition of “employees” under Section 3401(c) of the Code.

(h) No Option Right will be exercisable more than 10 years from the Date of Grant. The Committee may provide in any Evidence of Award for the automatic exercise of an Option Right upon such terms and conditions as established by the Committee.

(i) Option Rights granted under this Plan may not provide for any dividends or dividend equivalents thereon.

(j) Each grant of Option Rights will be evidenced by an Evidence of Award. Each Evidence of Award will be subject to this Plan and will contain such terms and provisions, consistent with this Plan, as the Committee may approve.

## 5. **Appreciation Rights.**

(a) The Committee may, from time to time and upon such terms and conditions as it may determine, authorize the granting to any Participant of Appreciation Rights. An Appreciation Right will be the right of the Participant to receive from the Company an amount determined by the Committee, which will be expressed as a percentage of the Spread (not exceeding 100%) at the time of exercise.

(b) Each grant of Appreciation Rights may utilize any or all of the authorizations, and will be subject to all of the requirements, contained in the following provisions:

- (i) Each grant may specify that the amount payable on exercise of an Appreciation Right will be paid by the Company in cash, Common Stock or any combination thereof.
- (ii) Each grant will specify the period or periods of continuous service by the Participant with the Company or any Subsidiary, if any, that is necessary before the Appreciation Rights or installments thereof will vest. Subject to Section 3(e), any grant may provide for continued vesting or the earlier vesting of such Appreciation Rights, and any other terms consistent with the terms of this Plan.
- (iii) Any grant of Appreciation Rights may specify Performance Objectives regarding the vesting of such Appreciation Rights.
- (iv) Appreciation Rights granted under this Plan may not provide for any dividends or dividend equivalents thereon.
- (v) Each grant of Appreciation Rights will be evidenced by an Evidence of Award. Each Evidence of Award will be subject to

this Plan and will contain such terms and provisions, consistent with this Plan, as the Committee may approve.

(c) Also, regarding Appreciation Rights:

- (i) Each grant will specify in respect of each Appreciation Right a Base Price, which (except with respect to awards under **Section 22** of this Plan) may not be less than the Market Value per Share on the Date of Grant; and
- (ii) No Appreciation Right granted under this Plan may be exercised more than 10 years from the Date of Grant. The Committee may provide in any Evidence of Award for the automatic exercise of an Appreciation Right upon such terms and conditions as established by the Committee.

6. **Restricted Stock.** The Committee may, from time to time and upon such terms and conditions as it may determine, authorize the grant or sale of Restricted Stock to Participants. Each such grant or sale may utilize any or all of the authorizations, and will be subject to all of the requirements, contained in the following provisions:

(a) Each such grant or sale will constitute an immediate transfer of the ownership of shares of Common Stock to the Participant in consideration of the performance of services, entitling such Participant to voting, dividend and other ownership rights, but subject to the substantial risk of forfeiture and restrictions on transfer hereinafter described (including Section 6(g) of this Plan).

(b) Each such grant or sale may be made without additional consideration or in consideration of a payment by such Participant that is less than the Market Value per Share on the Date of Grant.

(c) Each such grant or sale will provide that the Restricted Stock covered by such grant or sale will be subject to a “substantial risk of forfeiture” within the meaning of Section 83 of the Code for a period to be determined by the Committee on the Date of Grant or until achievement of Performance Objectives referred to in **Section 6(e)** of this Plan.

(d) Each such grant or sale will provide that during or after the period for which such substantial risk of forfeiture is to continue, the transferability of the Restricted Stock will be prohibited or restricted in the manner and to the extent prescribed by the Committee on the Date of Grant (which restrictions may include rights of repurchase or first refusal of the Company or provisions subjecting the Restricted Stock to a continuing substantial risk of forfeiture while held by any transferee).

(e) Any grant of Restricted Stock may specify Performance Objectives regarding the vesting of such Restricted Stock.

(f) Subject to Section 3(e), Restricted Stock may provide for continued vesting or the earlier vesting of such Restricted Stock, and any other terms consistent with the terms of this Plan.

(g) Any such grant or sale of Restricted Stock may require that any and all dividends or other distributions paid thereon during the period of such restrictions be automatically deferred and/or reinvested in additional Restricted Stock, which will be subject to the same restrictions as the underlying award. For the avoidance of doubt, any such dividends or

other distributions on Restricted Stock shall be deferred until, and paid contingent upon, the vesting of such Restricted Stock.

(h) Each grant or sale of Restricted Stock will be evidenced by an Evidence of Award. Each Evidence of Award will be subject to this Plan and will contain such terms and provisions, consistent with this Plan, as the Committee may approve. Unless otherwise directed by the Committee, (i) all certificates representing Restricted Stock will be held in custody by the Company until all restrictions thereon will have lapsed, together with a stock power or powers executed by the Participant in whose name such certificates are registered, endorsed in blank and covering such shares or (ii) all Restricted Stock will be held at the Company's transfer agent in book entry form with appropriate restrictions relating to the transfer of such Restricted Stock.

7. **Restricted Stock Units.** The Committee may, from time to time and upon such terms and conditions as it may determine, authorize the granting or sale of Restricted Stock Units to Participants. Each such grant or sale may utilize any or all of the authorizations, and will be subject to all of the requirements, contained in the following provisions:

(a) Each such grant or sale will constitute the agreement by the Company to deliver Common Stock or cash, or a combination thereof, to the Participant in the future in consideration of the performance of services, but subject to the fulfillment of such conditions (which may include achievement regarding Performance Objectives) during the Restriction Period as the Committee may specify.

(b) Each such grant or sale may be made without additional consideration or in consideration of a payment by such Participant that is less than the Market Value per Share on the Date of Grant.

(c) Subject to Section 3(e), Restricted Stock Units may provide for continued vesting or the earlier lapse or other modification of the Restriction Period, and any other terms consistent with the terms of this Plan.

(d) During the Restriction Period, the Participant will have no right to transfer any rights under his or her award and will have no rights of ownership in the Common Stock deliverable upon payment of the Restricted Stock Units and will have no right to vote them, but the Committee may, at or after the Date of Grant, authorize the payment of dividend equivalents on such Restricted Stock Units on a deferred and contingent basis, either in cash or in additional shares of Common Stock; provided, however, that dividend equivalents or other distributions on Common Stock underlying Restricted Stock Units shall be deferred until and paid contingent upon the vesting of such Restricted Stock Units.

(e) Each grant or sale of Restricted Stock Units will specify the time and manner of payment of the Restricted Stock Units that have been earned. Each grant or sale will specify that the amount payable with respect thereto will be paid by the Company in Common Stock or cash, or a combination thereof.

(f) Each grant or sale of Restricted Stock Units will be evidenced by an Evidence of Award. Each Evidence of Award will be subject to this Plan and will contain such terms and provisions, consistent with this Plan, as the Committee may approve.

8. **Cash Incentive Awards, Performance Shares and Performance Units.** The Committee may, from time to time and upon such terms and conditions as it may determine, authorize the granting of Cash Incentive Awards, Performance Shares and Performance Units. Each such grant may utilize any or all of the authorizations, and will be subject to all of the requirements, contained in the following provisions:

(a) Each grant will specify the number or amount of Performance Shares or Performance Units, or cash amount payable with respect to a Cash Incentive Award, to which it pertains, which number or amount may be subject to adjustment to reflect changes in compensation or other factors.

(b) The Performance Period with respect to each grant of a Cash Incentive Award, Performance Shares or Performance Units will be such period of time as will be determined by the Committee, which, subject to Section 3(e), may be subject to continued vesting or earlier lapse or other modification, and such grants may provide for any other terms consistent with the terms of this Plan.

(c) Each grant of a Cash Incentive Award, Performance Shares or Performance Units will specify Performance Objectives regarding the earning of the award.

(d) Each grant will specify the time and manner of payment of a Cash Incentive Award, Performance Shares or Performance Units that have been earned.

(e) The Committee may, on the Date of Grant of Performance Shares or Performance Units, provide for the payment of dividend equivalents to the holder thereof either in cash or in additional shares of Common Stock, which dividend equivalents shall be subject to deferral and payment on a contingent basis based on the Participant's earning and vesting of the Performance Shares or Performance Units, as applicable, with respect to which such dividend equivalents are paid.

(f) Each grant of a Cash Incentive Award, Performance Shares or Performance Units will be evidenced by an Evidence of Award. Each Evidence of Award will be subject to this Plan and will contain such terms and provisions, consistent with this Plan, as the Committee may approve.

#### 9. **Other Awards.**

(a) Subject to applicable law and the applicable limits set forth in **Section 3** of this Plan, the Committee may authorize the grant to any Participant of Common Stock or such other awards that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, shares of Common Stock or factors that may influence the value of such shares, including, without limitation, convertible or exchangeable debt securities, other rights convertible or exchangeable into shares of Common Stock, purchase rights for shares of Common Stock, awards with value and payment contingent upon performance of the Company or specified Subsidiaries, Affiliates or other business units thereof or any other factors designated by the Committee, and awards valued by reference to the book value of the shares of Common Stock or the value of securities of, or the performance of specified Subsidiaries or Affiliates or other business units of the Company. The Committee will determine the terms and conditions of such awards. Common Stock delivered pursuant to an award in the nature of a purchase right granted under this **Section 9** will be purchased for such consideration, paid for at such time, by such methods, and in such forms, including, without limitation, Common Stock, other awards, cash, notes or other property, as the Committee determines.

(b) Cash awards, as an element of or supplement to any other award granted under this Plan, may also be granted pursuant to this **Section 9**.

(c) The Committee may authorize the grant of shares of Common Stock as a bonus, or may authorize the grant of other awards in lieu of obligations of the Company or a Subsidiary to pay cash or deliver other property under this Plan or under other plans or

compensatory arrangements, subject to such terms as will be determined by the Committee in a manner that complies with Section 409A of the Code.

(d) The Committee may, at or after the Date of Grant, authorize the payment of dividends or dividend equivalents on awards granted under this **Section 9** on a deferred and contingent basis, either in cash or in additional shares of Common Stock; provided, however, that dividend equivalents or other distributions on Common Stock underlying awards granted under this **Section 9** shall be deferred until and paid contingent upon the earning and vesting of such awards.

(e) Each grant of an award under this **Section 9** will be evidenced by an Evidence of Award. Each such Evidence of Award will be subject to this Plan and will contain such terms and provisions, consistent with this Plan, as the Committee may approve, and will specify the time and terms of delivery of the applicable award.

(f) Subject to Section 3(e), awards under this **Section 9** may provide for the earning or vesting of, or earlier elimination of restrictions applicable to, such award, and any other terms consistent with the terms of this Plan.

#### 10. **Administration of this Plan.**

(a) This Plan will be administered by the Committee; provided, that, at the discretion of the Board, the Plan may be administered by the Board, including with respect to the administration of any responsibilities and duties so delegated to the Committee. The Committee may from time to time delegate all or any part of its authority under this Plan to a subcommittee thereof. To the extent of any such delegation, references in this Plan to the Committee will be deemed to be references to such subcommittee.

(b) The interpretation and construction by the Committee of any provision of this Plan or of any Evidence of Award (or related documents) and any determination by the Committee pursuant to any provision of this Plan or of any such agreement, notification or document will be final and conclusive. No member of the Committee shall be liable for any such action or determination made in good faith. In addition, the Committee is authorized to take any action it determines in its sole discretion to be appropriate subject only to the express limitations contained in this Plan, and no authorization in any Plan section or other provision of this Plan is intended or may be deemed to constitute a limitation on the authority of the Committee.

(c) To the extent permitted by law, the Committee may delegate to one or more of its members, to one or more officers of the Company, or to one or more agents or advisors, such duties or powers as it may deem advisable, and the Committee, the subcommittee, or any person to whom duties or powers have been delegated as aforesaid, may employ one or more persons to render advice with respect to any responsibility the Committee, the subcommittee or such person may have under this Plan. The Committee may, by resolution, authorize one or more officers of the Company to do one or both of the following on the same basis as the Committee: (i) designate employees to be recipients of awards under this Plan and (ii) determine the size of any such awards; provided, however, that the Committee will not delegate such responsibilities to any such officer for awards granted to an employee who is an officer (for purposes of Section 16 of the Exchange Act) or a Director.

11. **Adjustments.** The Committee shall make or provide for such adjustments in the number of and kind of Common Stock covered by outstanding Option Rights, Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Shares and Performance Units granted hereunder and, if applicable, in the number of and kind of Common Stock covered by other awards granted pursuant to **Section 9** of this Plan, in the Option Price and Base Price

provided in outstanding Option Rights and Appreciation Rights, respectively, in Cash Incentive Awards, and in other award terms, as the Committee, in its sole discretion, determines, in good faith, is equitably required to prevent dilution or enlargement of the rights of Participants that otherwise would result from (a) any extraordinary cash dividend, stock dividend, stock split, combination of shares, recapitalization or other change in the capital structure of the Company, (b) any merger, consolidation, spin-off, split-off, spin-out, split-up, reorganization, partial or complete liquidation or other distribution of assets, issuance of rights or warrants to purchase securities, or (c) any other corporate transaction or event having an effect similar to any of the foregoing. Moreover, in the event of any such transaction or event or in the event of a Change in Control, the Committee may provide in substitution for any or all outstanding awards under this Plan such alternative consideration (including cash), if any, as it, in good faith, may determine to be equitable in the circumstances and shall require in connection therewith the surrender of all awards so replaced in a manner that complies with Section 409A of the Code. In addition, for each Option Right or Appreciation Right with an Option Price or Base Price, respectively, greater than the consideration offered in connection with any such transaction or event or Change in Control, the Committee may in its discretion elect to cancel such Option Right or Appreciation Right without any payment to the person holding such Option Right or Appreciation Right. The Committee shall also make or provide for such adjustments in the number of shares of Common Stock specified in **Section 3** of this Plan as the Committee in its sole discretion, determines, in good faith, is appropriate to reflect any transaction or event described in this **Section 11**.

12. **Change in Control.** For purposes of this Plan, except as may be otherwise prescribed by the Committee in an Evidence of Award made under this Plan or as otherwise provided in another plan or agreement applicable to the Participant, a “Change in Control” will be deemed to have occurred upon the occurrence (after the Effective Date) of any of the following events:

(a) the consummation of any merger, consolidation or business combination in which the shareholders of the Company immediately prior to the merger, consolidation or business combination do not own at least a majority of the outstanding equity interests of the surviving parent entity;

(b) the sale of all or substantially all of the Company’s and its Subsidiaries’ assets in a single transaction or a series of related transactions;

(c) the acquisition of beneficial ownership or control, directly or indirectly, through one transaction or a series of transactions (including, without limitation, power to vote) of a majority of the outstanding shares of Common Stock of the Company by any “person” as such term is defined under Sections 13(d) and 14(d) of the Exchange Act (but excluding the Company, any Subsidiary, any trustee or other fiduciary holding securities under an employee benefit plan of the Company, and any corporation or other entity owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of shares of Stock); or

(d) a contested election of Directors, including with respect to Directors elected under any proxy access procedures included in the Company’s organizational documents, as a result of which or in connection with which the persons who were Directors of the Company before such election or nominees approved by the Board for election to the Board cease to constitute a majority of the Board.

13. **Detrimental Activity and Recapture/Recoupment Provisions.**

(a) Any Evidence of Award may provide for the cancellation or forfeiture of an award or the forfeiture and repayment to the Company of any gain related to an award, or

other provisions intended to have a similar effect, upon such terms and conditions as may be determined by the Committee from time to time, if a Participant, either (a) during employment or other service with the Company or a Subsidiary, or (b) within a specified period after termination of such employment or service, engages in any detrimental activity, as described in the applicable Evidence of Award. In addition, notwithstanding anything in this Plan to the contrary, any Evidence of Award may also provide for the cancellation or forfeiture of an award or the forfeiture and repayment to the Company of any cash or Common Stock issued under and/or any other benefit related to an award, or other provisions intended to have a similar effect, including upon such terms and conditions as may be required by the Committee and any applicable rules or regulations promulgated by the Securities and Exchange Commission or any national securities exchange or national securities association on which the Common Stock may be traded.

(b) Any Evidence of Award (or any part thereof) may provide for the cancellation or forfeiture of an award or the forfeiture and repayment to the Company of any gain or earnings related to an award, or include other provisions intended to have a similar effect, upon such terms and conditions as may be determined by the Committee in accordance with (i) any Company clawback or recoupment policy, including the Clawback Policy, and any other policies that are adopted to comply with the requirements of any applicable laws, rules, regulations, stock exchange listing standards or otherwise, or (ii) any applicable laws that impose mandatory clawback or recoupment requirements under the circumstances set forth in such laws, including as required by the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act, or other applicable laws, rules, regulations, or stock exchange listing standards, as may be in effect from time to time, and which may operate to create additional rights for the Company with respect to awards and the recovery of amounts relating thereto. By accepting awards under this Plan, the Participants consent to be bound by the terms of the Clawback Policy, if applicable, and agree and acknowledge that they are obligated to cooperate with, and provide any and all assistance necessary to, the Company in its efforts to recover or recoup any award, any gains or earnings related to any award, or any other amount paid under this Plan or otherwise subject to clawback or recoupment pursuant to such laws, rules, regulations, stock exchange listing standards or Company policy. Such cooperation and assistance shall include, but is not limited to, executing, completing and submitting any documentation necessary to facilitate the recovery or recoupment by the Company from the Participants of any such amounts, including from the Participants' accounts or from any other compensation, to the extent permissible under Section 409A of the Code.

14. **Non-U.S. Participants.** In order to facilitate the making of any grant or combination of grants under this Plan, the Committee may provide for such special terms for awards to Participants who are foreign nationals or who are employed by the Company or any Subsidiary outside of the United States of America or who provide services to the Company or any Subsidiary under an agreement with a foreign nation or agency, as the Committee may consider necessary or appropriate to accommodate differences in local law, tax policy or custom. Moreover, the Committee may approve such supplements to or amendments, restatements or alternative versions of this Plan (including sub-plans) as it may consider necessary or appropriate for such purposes, without thereby affecting the terms of this Plan as in effect for any other purpose, and the secretary or other appropriate officer of the Company may certify any such document as having been approved and adopted in the same manner as this Plan. No such special terms, supplements, amendments or restatements, however, will include any provisions that are inconsistent with the terms of this Plan as then in effect unless this Plan could have been amended to eliminate such inconsistency without further approval by the Shareholders.

15. **Transferability.**

(a) Except as otherwise determined by the Committee, and subject to compliance with **Section 17(b)** of this Plan and Section 409A of the Code, no Option Right,



Appreciation Right, Restricted Stock, Restricted Stock Unit, Performance Share, Performance Unit, Cash Incentive Award, award contemplated by **Section 9** of this Plan or dividend equivalents paid with respect to awards made under this Plan will be transferable by the Participant except by will or the laws of descent and distribution. In no event will any such award granted under this Plan be transferred for value. Where transfer is permitted, references to “Participant” shall be construed, as the Committee deems appropriate, to include any permitted transferee to whom such award is transferred. Except as otherwise determined by the Committee, Option Rights and Appreciation Rights will be exercisable during the Participant’s lifetime only by him or her or, in the event of the Participant’s legal incapacity to do so, by his or her guardian or legal representative acting on behalf of the Participant in a fiduciary capacity under state law or court supervision.

(b) The Committee may specify on the Date of Grant that part or all of the shares of Common Stock that are (i) to be issued or transferred by the Company upon the exercise of Option Rights or Appreciation Rights, upon the termination of the Restriction Period applicable to Restricted Stock Units or upon payment under any grant of Performance Shares or Performance Units or (ii) no longer subject to the substantial risk of forfeiture and restrictions on transfer referred to in **Section 6** of this Plan, will be subject to further restrictions on transfer, including minimum holding periods.

16. **Withholding Taxes.** To the extent that the Company is required to withhold federal, state, local or foreign taxes or other amounts in connection with any payment made or benefit realized by a Participant or other person under this Plan, and the amounts available to the Company for such withholding are insufficient, it will be a condition to the receipt of such payment or the realization of such benefit that the Participant or such other person make arrangements satisfactory to the Company for payment of the balance of such taxes or other amounts required to be withheld, which arrangements (in the discretion of the Committee) may include relinquishment of a portion of such benefit. If a Participant’s benefit is to be received in the form of Common Stock, and such Participant fails to make arrangements for the payment of taxes or other amounts, then, unless otherwise determined by the Committee, the Company will withhold shares of Common Stock having a value equal to the amount required to be withheld. Notwithstanding the foregoing, when the Participant is required to pay the Company an amount required to be withheld under applicable income, employment, tax or other laws, the Participant may elect, unless otherwise determined by the Committee, to satisfy the obligation, in whole or in part, by having withheld, from the shares of Common Stock required to be delivered to the Participant, shares of Common Stock having a value equal to the amount required to be withheld or by delivering to the Company other shares of Common Stock held by such Participant. The Committee may also provide for automatic and mandatory withholding of shares of Common Stock from an award by the Company in connection with the Participant’s satisfaction of such obligations. The Common Stock used for tax or other withholding will be valued at an amount equal to the fair market value of such Common Stock on the date the benefit is to be included in Participant’s income. In no event will the fair market value of the Common Stock to be withheld and delivered pursuant to this **Section 16** exceed the minimum amount required to be withheld, unless (i) an additional amount can be withheld and not result in adverse accounting consequences and (ii) such additional withholding amount is authorized by the Committee. Participants will also make such arrangements as the Company may require for the payment of any withholding tax or other obligation that may arise in connection with the disposition of Common Stock acquired upon the exercise of Option Rights.

17. **Compliance with Section 409A of the Code.**

(a) To the extent applicable, it is intended that this Plan and any grants made hereunder comply with the provisions of Section 409A of the Code, so that the income inclusion provisions of Section 409A(a)(1) of the Code do not apply to the Participants. This Plan and any

grants made hereunder will be administered in a manner consistent with this intent. Any reference in this Plan to Section 409A of the Code will also include any regulations or any other formal guidance promulgated with respect to such section by the U.S. Department of the Treasury or the Internal Revenue Service.

(b) Neither a Participant nor any of a Participant's creditors or beneficiaries will have the right to subject any deferred compensation (within the meaning of Section 409A of the Code) payable under this Plan and grants hereunder to any anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment. Except as permitted under Section 409A of the Code, any deferred compensation (within the meaning of Section 409A of the Code) payable to a Participant or for a Participant's benefit under this Plan and grants hereunder may not be reduced by, or offset against, any amount owed by a Participant to the Company or any of its Subsidiaries.

(c) If, at the time of a Participant's separation from service (within the meaning of Section 409A of the Code), (i) the Participant will be a specified employee (within the meaning of Section 409A of the Code and using the identification methodology selected by the Company from time to time) and (ii) the Company makes a good faith determination that an amount payable hereunder constitutes deferred compensation (within the meaning of Section 409A of the Code) the payment of which is required to be delayed pursuant to the six-month delay rule set forth in Section 409A of the Code in order to avoid taxes or penalties under Section 409A of the Code, then the Company will not pay such amount on the otherwise scheduled payment date but will instead pay it, without interest, on the tenth business day of the seventh month after such separation from service.

(d) Solely with respect to any award that constitutes nonqualified deferred compensation subject to Section 409A of the Code and that is payable on account of a Change in Control (including any installments or stream of payments that are accelerated on account of a Change in Control), a Change in Control shall occur only if such event also constitutes a "change in the ownership," "change in effective control," and/or a "change in the ownership of a substantial portion of assets" of the Company as those terms are defined under Treasury Regulation §1.409A-3(i)(5), but only to the extent necessary to establish a time and form of payment that complies with Section 409A of the Code, without altering the definition of Change in Control for any purpose in respect of such award.

(e) Notwithstanding any provision of this Plan and grants hereunder to the contrary, in light of the uncertainty with respect to the proper application of Section 409A of the Code, the Company reserves the right to make amendments to this Plan and grants hereunder as the Company deems necessary or desirable to avoid the imposition of taxes or penalties under Section 409A of the Code. In any case, a Participant will be solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on a Participant or for a Participant's account in connection with this Plan and grants hereunder (including any taxes and penalties under Section 409A of the Code), and neither the Company nor any of its affiliates will have any obligation to indemnify or otherwise hold a Participant harmless from any or all of such taxes or penalties.

## 18. **Amendments.**

(a) The Board may at any time and from time to time amend this Plan in whole or in part; provided, however, that if an amendment to this Plan, for purposes of applicable stock exchange rules and except as permitted under **Section 11** of this Plan, (i) would materially increase the benefits accruing to Participants under this Plan, (ii) would materially increase the number of securities which may be issued under this Plan, (iii) would materially modify the requirements for participation in this Plan, or (iv) must otherwise be approved by the

Shareholders in order to comply with applicable law or the rules of the Nasdaq Stock Market or, if the Common Stock is not traded on the Nasdaq Stock Market, the principal national securities exchange upon which the Common Stock is traded or quoted, all as determined by the Board, then, such amendment will be subject to approval by the Shareholders and will not be effective unless and until such approval has been obtained.

(b) Except in connection with a corporate transaction or event described in **Section 11** of this Plan or in connection with a Change in Control, the terms of outstanding awards may not be amended to reduce the Option Price of outstanding Option Rights or the Base Price of outstanding Appreciation Rights, or cancel outstanding “underwater” Option Rights or Appreciation Rights (including following a Participant’s voluntary surrender of “underwater” Option Rights or Appreciation Rights) in exchange for cash, other awards or Option Rights or Appreciation Rights with an Option Price or Base Price, as applicable, that is less than the Option Price of the original Option Rights or Base Price of the original Appreciation Rights, as applicable, without approval by the Shareholders. This **Section 18(b)** is intended to prohibit the repricing of “underwater” Option Rights and Appreciation Rights and will not be construed to prohibit the adjustments provided for in **Section 11** of this Plan. Notwithstanding any provision of this Plan to the contrary, this **Section 18(b)** may not be amended without approval by the Shareholders.

(c) If permitted by Section 409A of the Code, but subject to the paragraph that follows, including in the case of termination of employment or service, or in the case of unforeseeable emergency or other circumstances or in the event of a Change in Control, to the extent a Participant holds an Option Right or Appreciation Right not immediately exercisable in full, or any Restricted Stock as to which the substantial risk of forfeiture or the prohibition or restriction on transfer has not lapsed, or any Restricted Stock Units as to which the Restriction Period has not been completed, or any Cash Incentive Awards, Performance Shares or Performance Units which have not been fully earned, or any dividend equivalents or other awards made pursuant to **Section 9** of this Plan subject to any vesting schedule or transfer restriction, or who holds Common Stock subject to any transfer restriction imposed pursuant to **Section 15(b)** of this Plan, the Committee may, in its sole discretion, provide for continued vesting or accelerate the time at which such Option Right, Appreciation Right or other award may vest or be exercised or the time at which such substantial risk of forfeiture or prohibition or restriction on transfer will lapse or the time when such Restriction Period will end or the time at which such Cash Incentive Awards, Performance Shares or Performance Units will be deemed to have been earned or the time when such transfer restriction will terminate or may waive any other limitation or requirement under any such award.

(d) Subject to **Section 18(b)** of this Plan, the Committee may amend the terms of any award theretofore granted under this Plan prospectively or retroactively. Except for adjustments made pursuant to **Section 11** of this Plan, no such amendment will materially impair the rights of any Participant without his or her consent. The Board may, in its discretion, terminate this Plan at any time. Termination of this Plan will not affect the rights of Participants or their successors under any awards outstanding hereunder and not exercised in full on the date of termination.

19. **Governing Law.** This Plan and all grants and awards and actions taken hereunder will be governed by and construed in accordance with the internal substantive laws of the Commonwealth of Pennsylvania.

20. **Effective Date/Termination.** This Plan will be effective as of the Effective Date. No grants will be made after the Effective Date under the Predecessor Plan provided that outstanding awards granted under the Predecessor Plan will continue unaffected following the Effective Date. No grant will be made under this Plan on or after the tenth anniversary of the

Effective Date, but all grants made prior to such date will continue in effect thereafter subject to the terms thereof and of this Plan. For clarification purposes, the terms and conditions of this Plan shall not apply to or otherwise impact previously granted and outstanding awards under the Predecessor Plan, as applicable.

## 21. **Miscellaneous Provisions.**

(a) The Company will not be required to issue any fractional shares of Common Stock pursuant to this Plan. The Committee may provide for the elimination of fractions or for the settlement of fractions in cash.

(b) This Plan will not confer upon any Participant any right with respect to continuance of employment or other service with the Company or any Subsidiary, nor will it interfere in any way with any right the Company or any Subsidiary would otherwise have to terminate such Participant's employment or other service at any time.

(c) Except with respect to **Section 21(e)** of this Plan, to the extent that any provision of this Plan would prevent any Option Right that was intended to qualify as an Incentive Stock Option from qualifying as such, that provision will be null and void with respect to such Option Right. Such provision, however, will remain in effect for other Option Rights and there will be no further effect on any provision of this Plan.

(d) No award under this Plan may be exercised by the holder thereof if such exercise, and the receipt of cash or shares thereunder, would be, in the opinion of counsel selected by the Company, contrary to law or the regulations of any duly constituted authority having jurisdiction over this Plan.

(e) Absence on leave approved by a duly constituted officer of the Company or any of its Subsidiaries will not be considered interruption or termination of service of any employee for any purposes of this Plan or awards granted hereunder.

(f) No Participant will have any rights as a Shareholder with respect to any Common Stock subject to awards granted to him or her under this Plan prior to the date as of which he or she is actually recorded as the holder of such Common Stock upon the share records of the Company.

(g) The Committee may condition the grant of any award or combination of awards authorized under this Plan on the surrender or deferral by the Participant of his or her right to receive a cash bonus or other compensation otherwise payable by the Company or a Subsidiary to the Participant.

(h) Except with respect to Option Rights and Appreciation Rights, the Committee may permit Participants to elect to defer the issuance of Common Stock under this Plan pursuant to such rules, procedures or programs as it may establish for purposes of this Plan and which are intended to comply with the requirements of Section 409A of the Code. The Committee also may provide that deferred issuances and settlements include the crediting of dividend equivalents or interest on the deferral amounts.

(i) If any provision of this Plan is or becomes invalid or unenforceable in any jurisdiction, or would disqualify this Plan or any award under any law deemed applicable by the Committee, such provision will be construed or deemed amended or limited in scope to conform to applicable laws or, in the discretion of the Committee, it will be stricken and the remainder of this Plan will remain in full force and effect. Notwithstanding anything in this Plan or an Evidence of Award to the contrary, nothing in this Plan or in an Evidence of Award prevents a

Participant from providing, without prior notice to the Company, information to governmental authorities regarding possible legal violations or otherwise testifying or participating in any investigation or proceeding by any governmental authorities regarding possible legal violations, and for purpose of clarity a Participant is not prohibited from providing information voluntarily to the Securities and Exchange Commission pursuant to Section 21F of the Exchange Act.

22. **Share-Based Awards in Substitution for Awards Granted by Another Company.** Notwithstanding anything in this Plan to the contrary:

(a) Awards may be granted under this Plan in substitution for or in conversion of, or in connection with an assumption of, stock options, stock appreciation rights, restricted stock, restricted stock units or other share or share-based awards held by awardees of an entity engaging in a corporate acquisition or merger transaction with the Company or any Subsidiary. Any conversion, substitution or assumption will be effective as of the close of the merger or acquisition, and, to the extent applicable, will be conducted in a manner that complies with Section 409A of the Code. The awards so granted may reflect the original terms of the awards being assumed or substituted or converted for and need not comply with other specific terms of this Plan, and may account for Common Stock substituted for the securities covered by the original awards and the number of shares subject to the original awards, as well as any exercise or purchase prices applicable to the original awards, adjusted to account for differences in stock prices in connection with the transaction.

(b) Any Common Stock that is issued or transferred by, or that is subject to any awards that are granted by, or become obligations of, the Company under **Section 22(a)** of this Plan will not reduce the shares of Common Stock available for issuance or transfer under this Plan or otherwise count against the limits contained in **Section 3** of this Plan. In addition, no shares of Common Stock subject to an award that is granted by, or becomes an obligation of, the Company under **Section 22(a)** of this Plan, will be added to the aggregate limit contained in **Section 3(a)(i)** of this Plan pursuant to the share recycling provisions set forth in **Section 3(b)** of this Plan.

**L. B. FOSTER COMPANY**  
**2023 EXECUTIVE ANNUAL INCENTIVE COMPENSATION PROGRAM**

The purpose of this document is to establish in writing the performance goals and other terms applicable to cash financial performance awards for each fiscal year of the Company that constitutes a Performance Period (the "Program" or "ExIP") as authorized under the L.B. Foster Company Executive Annual Incentive Compensation Plan (the "Omnibus Annual Incentive Plan").

**I. DEFINITIONS**

- a. Defined terms used but not defined herein shall have the meanings ascribed to them in the Omnibus Annual Incentive Plan under which each annual Program is established.

**II. TERMS AND CONDITIONS**

- a. Unless otherwise determined by the Committee, the Performance Period shall be one calendar year (January 1 through December 31).
- b. Each Participant shall receive a cash award in an amount equal to the Participant's base compensation multiplied by a target percentage established by the Committee based upon the position held by the Participant as approved by the Committee and set forth on Exhibit B, on file with the Committee (the "Target Percentage") (an "Award"). The amount of any Award earned and payable is calculated with reference to the percentage achievement of certain Performance Measures established by the Committee and as described below.
- c. A Participant's base compensation shall be the Participant's salary on March 1 of the applicable Performance Period, rounded to the nearest whole dollar.
- d. Participants in the Program are listed on Exhibit B on file with the Committee, which identifies each Participant's title and Company operating unit, and Target Percentage for the applicable Performance Period.
- e. A Participant's right, if any, to receive payout of an Award, if earned, shall be contingent upon the Participant having executed a Confidentiality, Intellectual Property and Non-Compete Agreement in a form satisfactory to the Committee. Further, in order to receive any payout of an Award, the Participant must have begun employment with the Company by October 1 of the Program's Performance Period.
- f. In the event a Participant changes from one position to another position or is promoted into one of the positions approved by the Committee during the Performance Period, the Target Percentage and base compensation for such Participant shall be pro-rated as applicable to each position held during the Performance Period, and such Award will be determined on a pro-rated basis based on the number of full months employed during the Performance Period.
- g. In order to be eligible to receive any payout of an Award, if earned, a Participant must be actively employed by the Company on the date the Award is paid. In no event is a Participant entitled to any pro-rata payment of an Award under the terms of this Program in the event of an earlier departure from the Company, except to the extent the Board has approved a Participant's retirement or termination from the

Company, in which case the Committee may provide a pro-rata payment based on the Participant's active employment before the Board-approved retirement or termination.

### III. CALCULATING PAYOUT OF AWARDS

The payout of Awards shall be calculated as set forth below:

- a. A Participant's Award shall be determined and allocated by multiplying the Award by the Company's adjusted level of attainment of the financial Performance Measures identified below, weighted as shown below:

Performance Measure	CEO, CFO; CGO SVP, HR & Admin; SVP & General Counsel; and Controller & CAO	Executive SVPs or VPs Responsible for Operating Unit(s)
Corporate Adjusted EBITDA	75%	20%
Corporate Working Capital	25%	---
Operating Unit Adjusted EBITDA	--	50%
Operating Unit Working Capital	---	30%

- b. The amount of an Award shall be calculated and adjusted upward or downward based on the level of attainment of the above Performance Measures, Adjusted EBITDA (Corporate and Operating Unit), and Working Capital (Corporate and Operating Unit), utilizing the targets as set forth in the tables below. (Tables shown below describe targets for the Consolidated Corporate Group. Targets for the business groups are shown in Exhibit A.) Straight-line interpolation will be used to determine the achievement between each level.

#### Adjusted EBITDA Multiplier <sup>1</sup>

Target Adjusted EBITDA	Multiplier
\$32,000	200%
<b>\$26,400</b>	<b>100%</b>
\$21,120	50%
Less than \$21,120	0%

#### Working Capital <sup>1</sup>

Target Working Capital	
20.7%	200%
<b>21.3%</b>	<b>100%</b>
21.8%	50%
Greater than 21.8%	0%

<sup>1</sup> Targets and Multipliers for Business Groups are shown on Exhibit A, on file with the Committee

- c. Individual payout targets are shown on Exhibit B, on file with the Committee.

- d. Operating results of an acquisition will be immediately included in the financial results, with Committee approval.
- e. Definitions of the Performance Measures and possible financial adjustments are noted on Schedule 1.0 attached hereto.

### **III. RECOUPMENT**

All Awards granted hereunder shall be subject to the terms and conditions set forth in the Clawback Policy and any warrant the Participant signed granting a confession of judgment right to the Company. To the extent the Clawback Policy is applicable to a Participant, it creates additional rights for the Company with respect to Awards provided to the Participant under the Program. Any Award granted under the Program will be subject to potential mandatory cancellation, forfeiture and/or repayment by the Participant to the Company to the extent the Participant is, or in the future becomes, subject to (a) any Company clawback or recoupment policy, including the Clawback Policy, and any other policies that are adopted to comply with the requirements of any applicable laws, rules, regulations, stock exchange listing standards or otherwise, or (b) any applicable laws that impose mandatory clawback or recoupment requirements under the circumstances set forth in such laws, including as required by the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act, or other applicable laws, rules, regulations, or stock exchange listing standards, as may be in effect from time to time, and which may operate to create additional rights for the Company with respect to Awards and the recovery of amounts relating thereto. By accepting an Award under the Program, the Participant consents to be bound by the terms of the Clawback Policy, if applicable, and agrees and acknowledges that the Participant is obligated to cooperate with, and provide any and all assistance necessary to, the Company in its efforts to recover or recoup an Award, any gains or earnings related to an Award, or any other applicable compensation subject to clawback or recoupment pursuant to such laws, rules, regulations, stock exchange listing standards or Company policy. Such cooperation and assistance shall include, but is not limited to, executing, completing and submitting any documentation necessary to facilitate the recovery or recoupment by the Company from the Participant of any such amounts, including from the Participant's accounts or from any other compensation, to the extent permissible under Section 409A.

### **IV. COMPENSATION COMMITTEE**

As set forth in the Omnibus Annual Incentive Plan, the Committee retains all rights and discretion to modify, eliminate, or replace the ExIP at any time. The Committee will interpret the ExIP at its discretion, and may adjust financial Performance Measures, weighting, and/or multipliers as it deems appropriate in its sole discretion, or increase, decrease, or eliminate any Award or payout hereunder. All determinations with respect to any Award shall be made by the Committee and shall be final, conclusive and binding on the Company, the Participant and any and all interested parties.

The undersigned Chairman of the Committee hereby certifies, on behalf of the Committee, that the performance goals and other material terms applicable have been determined and approved at the Committee meeting held in February of the Program's Performance Period.

\_\_\_\_\_  
John E. Kunz  
Chairman, Compensation Committee

\_\_\_\_\_  
Date





**PERFORMANCE MEASURES AND ADJUSTMENTS**

**Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA):** shall mean with respect to the Company or an Operating Unit, for the Fiscal Year (a) income from continuing operations; (b) plus income tax expense; (c) plus interest expense; (d) minus interest income; (e) plus depreciation expense; and (f) plus amortization expense; (g) plus and minus the adjustments below. Adjusted EBITDA is to be calculated including the effect of expense associated with the program.

**Working Capital as a Percentage of Sales ("W/C as a % of Sales"):** shall mean with respect to the Company, or as applicable, for an Operating Unit, for the Fiscal Year, the average monthly balances (in all cases calculated utilizing a 13-point average method) of Inventory, Contract Assets and Accounts Receivable less the average monthly balances of Accounts Payable and Deferred Revenue divided by annual net sales. Results shall be determined incorporating approved adjustments below

The following adjustments are guidelines subject to board approval.

<b>Adjustment Description</b>	<b>Adjusted EBITDA</b>	<b>Working Capital</b>
<b>Unplanned reductions or add-backs to results for gains and losses</b>		
Effects of changes in accounting or tax law	X	X
Divestitures of properties, businesses, investments, equity in affiliates or held for sale as discontinued operations	X	X
Costs of an acquisition or potential acquisition, and purchase accounting of an acquisition completed during the year.	X	X
Any significant or non-recurring item(s) (these items include, but are not limited to a restructuring, long-lived asset impairment, warranty costs, product liability, legal settlement, environmental charges) that in total exceed \$200,000 in EBITDA (favorable or unfavorable)	X	X
The impact on any Operating Unit attributable to any administrative intercompany charges related to transfer pricing compliance where the consolidated impact is zero.	X	X
Other adjustments for unforeseen extraordinary circumstances as deemed appropriate in the sole discretion of the Compensation Committee of the Board of Directors	X	X

**Certification under Section 302 of the  
Sarbanes-Oxley Act of 2002**

I, John F. Kasel, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of L.B. Foster Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: **November 7, 2023**

**/s/ John F. Kasel**

Name: John F. Kasel

Title: President and Chief Executive Officer

**Certification under Section 302 of the  
Sarbanes-Oxley Act of 2002**

I, William M. Thalman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of L.B. Foster Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: **November 7, 2023**

**/s/ William M. Thalman**  
Name: William M. Thalman  
Title: Executive Vice President  
and Chief Financial Officer

**CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT  
OF 2002**

In connection with the Quarterly Report of L.B. Foster Company (the "Company") on Form 10-Q for the period ended September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned certify pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: **November 7, 2023**

**/s/ John F. Kasel**

Name: John F. Kasel

Title: President and Chief Executive Officer

Date: **November 7, 2023**

**/s/ William M. Thalman**

Name: William M. Thalman

Title: Executive Vice President

and Chief Financial Officer