

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2022 This Form is Open to Public Inspection
---	---	--

Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning <u>04/01/2019</u> and ending <u>03/31/2020</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report ☐ the final return/report ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	☐

Part II Basic Plan Information —enter all requested information		
1a Name of plan <u>ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	1b Three-digit plan number (PN) ▶	<u>003</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>ADVANCED DRAINAGE SYSTEMS, INC.</u> <u>4640 TRUEMAN BLVD</u> <u>HILLIARD, OH 43026-2438</u>		
1c Effective date of plan <u>04/01/1993</u>		
2b Employer Identification Number (EIN) <u>51-0105665</u>		
2c Plan Sponsor's telephone number <u>614-658-0106</u>		
2d Business code (see instructions) <u>326100</u>		

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	04/18/2023	SCOTT COTTRILL
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	04/18/2023	SCOTT COTTRILL
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2022)
v. 220413

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN
		3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN
5 Total number of participants at the beginning of the plan year		5 6152
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).		
a(1) Total number of active participants at the beginning of the plan year		6a(1) 3337
a(2) Total number of active participants at the end of the plan year		6a(2) 3579
b Retired or separated participants receiving benefits		6b 1080
c Other retired or separated participants entitled to future benefits.....		6c 1761
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 6420
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 21
f Total. Add lines 6d and 6e		6f 6441
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g 6437
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h 229
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2I 2P 3I		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2022
		This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 04/01/2019 and ending 03/31/2020		
A Name of plan ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶	003
C Plan sponsor's name as shown on line 2a of Form 5500 ADVANCED DRAINAGE SYSTEMS, INC.	D Employer Identification Number (EIN) 51-0105665	

Part I	Service Provider Information (see instructions)
--------	---

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIFTH THIRD BANK
31-1051736

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
--

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
--

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
--

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

CALAMOS INVESTMENTS LLC

20-1768357

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50	INVESTMENT MANAGEMENT	9700	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

HARDING LOEVNER LP

27-0684167

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50	INVESTMENT MANAGEMENT	8869	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

PRINCIPAL GLOBAL INVESTMENTS

42-1479618

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50	INVESTMENT MANAGEMENT	11273	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

MADISON INVESTMENT ADVISORS LLC

54-1815009

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50	INVESTMENT MANAGEMENT	7044	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

CAMBIAR INVESTORS LLC

84-1596610

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50	INVESTMENT MANAGEMENT	13581	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

STOUT RISIUS ROSS

ONE SOUTH WACKER DR 38TH FL
CHICAGO, IL 60606

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50	INVESTMENT MANAGEMENT	138932	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

GBQ PARTNERS LLC

20-2122306

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	ACCOUNTANT	31400	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

CROWE

35-0921680

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 64	RECORDKEEPER /BOOKKEEPER	111553	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

FINDLEY

ONE SEAGATE SUITE 2050
TOLEDO, OH 43604

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16 50	CONSULTANT	29500	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FIFTH THIRD BANK RETIREMENT SERVICE

31-1051736

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50	INVESTMENT MANAGEMENT	442273	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

WINSLOW CAPITOL MGT LLC

80 SOUTH EIGHTH STREET
MINNEAPOLIS, MN 55402

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50	INVESTMENT MANAGEMENT	12066	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

BELLWETHER CONSULTING

22-3784192

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16 50	CONSULTANT	13500	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

NORTHERN TRUST COMPANY

36-1561860

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50	INVESTMENT MANAGEMENT	59047	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

MORGAN STANLEY

26-4310632

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50	INVESTMENT MANAGEMENT	30854	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

GOLDMAN SACHS ASSET MANAGEMENT L.P.

13-3575636

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50	INVESTMENT MANAGEMENT	15806	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
---	--	---

For calendar plan year 2022 or fiscal plan year beginning 04/01/2019 and ending 03/31/2020		
A Name of plan ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ►	003
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 ADVANCED DRAINAGE SYSTEMS, INC.	D Employer Identification Number (EIN) 51-0105665	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
--------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: EMERGING MARKETS FD FEBT				
b Name of sponsor of entity listed in (a): THE NORTHERN TRUST CO OF CONNECTICUT				
c EIN-PN 06-6275604-012	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0		
a Name of MTIA, CCT, PSA, or 103-12 IE: ALL COUNTRY WORLD IMI FUND				
b Name of sponsor of entity listed in (a): NORTHERN TRUST INVESTMENTS, N.A.				
c EIN-PN 45-6138589-103	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0		
a Name of MTIA, CCT, PSA, or 103-12 IE: INTERNATIONAL EQUITY FUND FEBT				
b Name of sponsor of entity listed in (a): THE NORTHERN TRUST CO OF CONNECTICUT				
c EIN-PN 06-6275604-014	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0		
a Name of MTIA, CCT, PSA, or 103-12 IE: COLLECTIVE RUSSELL 1000 INDEX FUND				
b Name of sponsor of entity listed in (a): NORTHERN TRUST INVESTMENTS, N.A.				
c EIN-PN 45-6138589-006	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0		
a Name of MTIA, CCT, PSA, or 103-12 IE: COLLECTIVE S&P 400 INDEX FUND				
b Name of sponsor of entity listed in (a): NORTHERN TRUST INVESTMENTS, N.A.				
c EIN-PN 45-6138589-049	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0		
a Name of MTIA, CCT, PSA, or 103-12 IE: EMERGING MARKETS INDEX FUND				
b Name of sponsor of entity listed in (a): NORTHERN TRUST INVESTMENTS, N.A.				
c EIN-PN 45-6138589-040	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0		
a Name of MTIA, CCT, PSA, or 103-12 IE: COLTV DAILY 1-5YR CR BD INDEX FUND				
b Name of sponsor of entity listed in (a): NORTHERN TRUST INVESTMENTS, N.A.				
c EIN-PN 45-6138589-123	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0		

a Name of MTIA, CCT, PSA, or 103-12 IE: **SMALL CAP FUND FEBT**

b Name of sponsor of entity listed in (a): **THE NORTHERN TRUST CO OF CONNECTICUT**

c EIN-PN 06-6275604-008	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
---------------------------------------	-------------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: **COLLECTIVE AGGREGATE BOND INDEX FU**

b Name of sponsor of entity listed in (a): **NORTHERN TRUST INVESTMENTS, N.A.**

c EIN-PN 45-6138589-029	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
---------------------------------------	-------------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: **COLLECTIVE SHORT-TERM INVESTMENT FU**

b Name of sponsor of entity listed in (a): **NORTHERN TRUST INVESTMENTS, N.A.**

c EIN-PN 45-6138589-084	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
---------------------------------------	-------------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: **COLLECTIVE GLOBAL REAL ESTATE INDEX**

b Name of sponsor of entity listed in (a): **NORTHERN TRUST INVESTMENTS, N.A.**

c EIN-PN 45-6138589-082	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
---------------------------------------	-------------------------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
For calendar plan year 2022 or fiscal plan year beginning 04/01/2019 and ending 03/31/2020		
A Name of plan ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ►	003
C Plan sponsor's name as shown on line 2a of Form 5500 ADVANCED DRAINAGE SYSTEMS, INC.	D Employer Identification Number (EIN) 51-0105665	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....		1a	
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....		1b(1)	
(2) Participant contributions.....		1b(2)	
(3) Other.....		1b(3)	117444
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....		1c(1)	6798052
(2) U.S. Government securities		1c(2)	3542555
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred		1c(3)(A)	
(B) All other		1c(3)(B)	7431308
(4) Corporate stocks (other than employer securities):			
(A) Preferred		1c(4)(A)	4692202
(B) Common.....		1c(4)(B)	27184223
(5) Partnership/joint venture interests		1c(5)	
(6) Real estate (other than employer real property)		1c(6)	
(7) Loans (other than to participants).....		1c(7)	
(8) Participant loans.....		1c(8)	
(9) Value of interest in common/collective trusts.....		1c(9)	21738517
(10) Value of interest in pooled separate accounts		1c(10)	
(11) Value of interest in master trust investment accounts.....		1c(11)	
(12) Value of interest in 103-12 investment entities		1c(12)	
(13) Value of interest in registered investment companies (e.g., mutual funds).....		1c(13)	8571369
(14) Value of funds held in insurance company general account (unallocated contracts).....		1c(14)	69693744
(15) Other		1c(15)	

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	449939891	489441407
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	530015561	559381199

Liabilities

g Benefit claims payable	1g	967953	1307218
h Operating payables	1h		1950
i Acquisition indebtedness	1i	14786296	1822227
j Other liabilities	1j		3211
k Total liabilities (add all amounts in lines 1g through 1j)	1k	15754249	3134606

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	514261312	556246593
---	-----------	-----------	-----------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	66595	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		66595
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	23600801	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	4026481	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		27627282
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	64802296	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		64802296

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-5818559
c Other income	2c		407245
d Total income. Add all income amounts in column (b) and enter total	2d		87084859
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	43764379	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		43764379
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		148169
i Administrative expenses: (1) Professional fees	2i(1)	60900	
(2) Contract administrator fees	2i(2)	111553	
(3) Investment advisory and management fees	2i(3)	762944	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		935397
j Total expenses. Add all expense amounts in column (b) and enter total	2j		44847945
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		42236914
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		251633

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☐ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **GBQ PARTNERS, LLC**

(2) EIN: **20-2122306**

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☒ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		50000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
ADVANCED DRAINAGE SYSTEMS, INC. PROFIT SHARING RETIREMENT PLAN	51-0105665	001

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 04/01/2019 and ending 03/31/2020		
A Name of plan ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN		B Three-digit plan number (PN) ► 003
C Plan sponsor's name as shown on line 2a of Form 5500 ADVANCED DRAINAGE SYSTEMS, INC.		D Employer Identification Number (EIN) 51-0105665
Part I Distributions		
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1 25300780
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 31-1358013		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)		
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....		6a
b Enter the amount contributed by the employer to the plan for this plan year.....		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III Amendments		
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.		
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....		☐ Yes ☒ No
11 a Does the ESOP hold any preferred stock?.....		☒ Yes ☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....		☐ Yes ☒ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?.....		☒ Yes ☐ No
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:		
	a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....	14a	
	b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14b	
	c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year.....	15a	
	b The corresponding number for the second preceding plan year.....	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
----------------	---

18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c) a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____% b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____
20	PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20. a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box: ☐ Yes. ☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date. ☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date. ☐ No. Other. Provide explanation _____

• **Financial Statements**
• with Supplementary Information

• **Advanced Drainage**
• **Systems, Inc. Employee**
• **Stock Ownership Plan**

• March 31, 2020 and 2019



CONTENTS

Page

Independent Auditor's Report

3

Financial Statements:

Statements of Net Assets Available for Benefits

5

Statements of Changes in Net Assets Available for Benefits

6

Notes to Financial Statements

7

Supplementary Information:

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

22



To the Plan Administrator of
Advanced Drainage Systems, Inc.
Employee Stock Ownership Plan
Columbus, Ohio

Independent Auditor's Report

We have audited the accompanying financial statements of Advanced Drainage Systems, Inc. Employee Stock Ownership Plan (the Plan), which comprise the statements of net assets available for benefits as of March 31, 2020 and 2019, and the related statements of changes in net assets available for benefits for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Plan Administrator of
Advanced Drainage Systems, Inc.
Employee Stock Ownership Plan
Page 2

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of March 31, 2020 and 2019, and the changes in net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets (held at end of year) as of March 31, 2020 is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

GBQ Partners LLC

Columbus, Ohio
January 16, 2023

ADVANCED DRAINAGE SYSTEMS, INC.

EMPLOYEE STOCK OWNERSHIP PLAN

Statements of Net Assets Available for Benefits March 31, 2020 and 2019



	2020			2019		
	Supplemental Allocation Information		Total	Supplemental Allocation Information		Total
	Allocated	Unallocated		Allocated	Unallocated	
ASSETS AND LIABILITIES						
Investments in common stock, mutual funds, fixed income obligations, common collective trusts and allocated cash dividend funds	\$ 69,938,451	\$ -	\$ 69,938,451	\$ 80,075,670	\$ -	\$ 80,075,670
Investment in sponsor company convertible preferred stock - at market value	447,816,890	41,624,517	489,441,407	162,374,430	287,565,461	449,939,891
Receivables	1,341	-	1,341	-	-	-
Total assets	517,756,682	41,624,517	559,381,199	242,450,100	287,565,461	530,015,561
Other accrued expenses	(5,161)	-	(5,161)	-	-	-
Loan payable to sponsor company	-	(1,822,227)	(1,822,227)	-	(14,786,296)	(14,786,296)
Total liabilities	(5,161)	(1,822,227)	(1,827,388)	-	(14,786,296)	(14,786,296)
NET ASSETS AVAILABLE FOR BENEFITS	\$ 517,751,521	\$ 39,802,290	\$ 557,553,811	\$ 242,450,100	\$ 272,779,165	\$ 515,229,265

The accompanying notes are an integral part of the financial statements.

ADVANCED DRAINAGE SYSTEMS, INC.

EMPLOYEE STOCK OWNERSHIP PLAN

Statements of Changes in Net Assets Available for Benefits For the Years Ended March 31, 2020 and 2019

	2020			2019		
	Supplemental Allocation Information		Total	Supplemental Allocation Information		Total
	Allocated	Unallocated		Allocated	Unallocated	
Additions to net assets attributed to						
Dividend income	\$ 10,847,528	\$ 12,753,273	\$ 23,600,801	\$ 1,913,080	\$ 4,043,055	\$ 5,956,135
Net appreciation of sponsor's preferred stock	-	70,737,847	70,737,847	-	-	-
Dividends on unallocated shares	-	-	-	3,325,865	-	3,325,865
Redeposit of dividend checks, net	91,349	-	91,349	65,826	-	65,826
Allocation of sponsor preferred stock - fair value	316,678,791	-	316,678,791	15,257,357	-	15,257,357
Net appreciation of common stock, mutual funds, fixed income obligations, common collective trusts and allocated cash dividend funds	-	-	-	3,253,456	-	3,253,456
Total additions	327,617,668	83,491,120	411,108,788	23,815,584	4,043,055	27,858,639
Deductions from net assets attributed to						
Interest expense	-	148,169	148,169	-	353,381	353,381
Dividends on unallocated shares	-	-	-	-	3,325,865	3,325,865
Distributions to participants:						
Dividends	10,488,563	-	10,488,563	1,776,889	-	1,776,889
Redemption of shares by sponsor company	25,300,780	-	25,300,780	13,767,213	-	13,767,213
Payments from common stock, mutual funds, fixed income obligations, common collective trusts and allocated cash dividend funds	7,727,120	-	7,727,120	6,900,171	-	6,900,171
Diversified investments transferred to profit sharing plan	251,633	-	251,633	743,416	-	743,416
Allocation of 12,616,847 shares in 2020 and 766,701 shares in 2019 of preferred stock of sponsor company - fair value:						
For compensation	-	316,319,826	316,319,826	-	15,121,166	15,121,166
For dividend payments	358,965	-	358,965	136,191	-	136,191
Net depreciation of sponsor's preferred stock	5,935,551	-	5,935,551	739,282	1,521,723	2,261,005
Net depreciation of common stock, mutual funds, fixed income obligations, common collective trusts and allocated cash dividend funds	1,318,238	-	1,318,238	-	-	-
Professional and investment management fees	935,397	-	935,397	1,035,241	-	1,035,241
Total deductions	52,316,247	316,467,995	368,784,242	25,098,403	20,322,135	45,420,538
Net increase (decrease) in net assets available for benefits	275,301,421	(232,976,875)	42,324,546	(1,282,819)	(16,279,080)	(17,561,899)
NET ASSETS AVAILABLE FOR BENEFITS						
Beginning of year	242,450,100	272,779,165	515,229,265	243,732,919	289,058,245	532,791,164
End of year	\$ 517,751,521	\$ 39,802,290	\$ 557,553,811	\$ 242,450,100	\$ 272,779,165	\$ 515,229,265

The accompanying notes are an integral part of the financial statements.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2020 and 2019



Plan Description

The following description of the Advanced Drainage Systems, Inc. Employee Stock Ownership Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for a complete description of the Plan's provisions.

General

Advanced Drainage Systems, Inc. (the "Company" or the "Sponsor"), established the Plan effective as of April 1, 1993. The Plan operates as a qualified leveraged employee stock ownership plan (ESOP) and is designed to comply with Section 401(a) and Section 4957(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986 (the "Code"), as amended, and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended. The Plan is administered by a committee (the "ESOP Committee") consisting of no less than two people appointed by the Sponsor's board of directors. The trust department of Fifth Third Bank, Columbus, Ohio, is the Plan's trustee (the "Trustee").

The Plan was funded on September 30, 1993, when the common shareholders of the Company exchanged 44,170,488 common shares for 44,170,488 shares of 2.5% cumulative convertible voting preferred stock. The Plan then purchased 44,170,488 shares of the Company's newly created 2.5% convertible preferred stock from these shareholders for \$34,500,276. To finance the purchase of the preferred stock, the Plan received a \$5,000,000 contribution from the Company's profit-sharing plan (non-leveraged), as well as a 30-year term loan of \$29,500,276 from the Company (leveraged).

Non-leveraged shares are shares purchased with the \$5,000,000 contribution from the profit-sharing plan. Leveraged shares are shares purchased with the 30-year term loan from the Company.

The loan is to be paid back through a combination of Company contributions and preferred stock dividends on unallocated shares. As the Plan makes each payment of principal and interest, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the Code. The borrowing is collateralized by the unallocated shares of stock. The Company has no rights to encumber the shares once they are allocated to the participants under the Plan. Accordingly, the financial statements of the Plan for the years ended March 31, 2020 and 2019, present separately the assets and liabilities and changes therein pertaining to:

- a. The accounts of employees with vested rights (partial or full) in allocated stock (allocated)
- b. Stock not yet allocated to employees (unallocated)

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2020 and 2019

Plan Description (continued)

General (continued)

Effective April 1, 2014, in consideration of the Company's registration as a public entity and Initial Public Offering (IPO) which closed on July 24, 2014, Section 3.4 of the Employee Stock Ownership Trust was amended to change the manner in which the distribution of a Participant's ESOP Account is to be made. Post-IPO, the Company's common stock, par value \$0.01 per share, will be "registration-type class of securities" (as such term is defined in Code Section 409(e)(4)). Therefore, as a result of this amendment, the Trustee will no longer have the put right to put back its shares to the Company. Participants will receive common stock, converted at the rate of 0.7692 shares for each share of convertible preferred stock. Previously, distributions of convertible preferred stock were settled in cash.

Eligibility

Full-time employees of the Company who have reached the age of 18 are generally eligible to participate in the Plan on March 31 after six months of service.

Contributions

The Company is obligated to make contributions to the Plan that, when aggregated with the Plan's dividends and interest earnings, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loan to the Company. As the Plan makes annual payments of principal and interest, an appropriate percentage of preferred stock is allocated to eligible employees' accounts in accordance with applicable regulations under the Code. Any discretionary contributions made to the Plan by the Company may be used to (1) repay the loan, (2) hold in cash or other investments, or (3) buy additional Company stock.

Company contributions are held and managed by the Trustee, who invests cash received, interest, and dividend income and makes distributions to participants. The Trustee also administers the payment of interest and principal on the loan, which is reimbursed to the Trustee through contributions as determined by the Company.

Vesting

Participants become vested in their allocated shares as follows:

Years of Service	Vesting Percentage
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or greater	100%

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2020 and 2019

Plan Description (continued)

Vesting (continued)

Participants' allocated share of preferred stock from the \$5,000,000 contribution from the Company's profit-sharing plan is fully vested, which was made when the Plan was created in 1993.

Allocation of Contributions, Investment Income, Appreciation in Value and Forfeitures

The Company's contributions are allocated to eligible participants' accounts based on the ratio of each eligible participant's compensation for the year to total compensation for all participants.

The investment income and unrealized appreciation (depreciation) in value are allocated to the applicable participant accounts based on the ratio of each participant's account balance to the total of all participant account balances at the Plan's year-end.

Required dividends on the allocated shares are allocated based on each participant's stock account balance. Required dividends on the unallocated shares are used to service the Plan's debt, unless directed otherwise by the ESOP Committee as described above.

Forfeitures resulting from termination of participants who are less than 100% vested are reallocated proportionately among remaining participants at the Plan's year-end. Forfeitures reallocated in 2020 and 2019 were \$2,518,805 and \$614,744, respectively.

Voting Rights

The Company stock held in the allocated portion of the Plan will normally be voted by the Trustee as directed by the ESOP Committee. However, in certain circumstances, the participants in the Plan will have the right to direct the vote of the Trustee. The Trustee will vote any unallocated shares of Company stock and allocated shares of Company stock for which no participant instructions were received in the same proportion as the allocated Company stock for which instructions have been received is voted.

Distributions

No distributions from the Plan, other than cash dividends on non-leveraged shares and discretionary cash dividends on leveraged shares, will be made until a participant retires, dies (in which cash payment shall be made to his or her beneficiary or, if none, his or her legal representatives), or otherwise terminates employment with the Company.

Payment of Benefits

Upon retirement, disability, death or vested termination, a participant or designated beneficiary may elect to receive the amount in their account in the form of cash or Company stock with any fractional shares paid in cash.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2020 and 2019

Plan Description (continued)

Diversification

Upon attainment of age 50 and seven years of participation in the Plan, participants may elect to diversify 25% of the number of shares of Company stock credited to their ESOP stock account. The Plan was amended to provide a Plan-to-Plan transfer of diversified investments to the Advanced Drainage Systems, Inc. Profit Sharing Retirement Plan (the "Profit Sharing Retirement Plan"). The funds transferred to the Profit Sharing Retirement Plan are invested in accordance with the investment options elected by the participants. The Plan does not accept transfers of funds from the Profit Sharing Retirement Plan.

Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Allocated Cash Dividend Funds

The Plan's allocated cash dividends are held in several temporary investment funds for the purpose of purchasing equity and debt securities. Allocated cash dividend funds are stated at fair value based on independent quotations.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is a 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. For additional disclosure regarding fair value of investments, see the *Fair Value Measurements* footnote herein.

The Company guarantees the value of not less than \$0.7818 per share of the convertible preferred shares of the Company. The conversion ratio requires 0.7692 common shares for each preferred share. Fair value is estimated by management in the absence of readily ascertainable market values by using an annual independent appraisal. The independently appraised fair values at March 31, 2020 and 2019 were \$22.70 and \$19.90 per preferred share, respectively. Because of the inherent uncertainty of valuation methods, those estimated values may differ from the values that would have been used had an active market for the securities existed.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2020 and 2019

Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition (continued)

Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported on the specific identification method. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

Required Dividends

A 2.5% (\$0.1954 per share) dividend, which is required to be paid by the Company on an annual basis, was paid on March 17, 2020 and March 31, 2019. Dividends on the non-leveraged shares are paid in cash directly to the participants and are tax deductible by the Company. Dividends on leveraged shares are paid in cash and used to service the Plan's debt. Because all cash related to required dividend payments was used to service debt, previously unallocated shares were allocated to the participants to satisfy the allocated and unallocated shares dividend requirement.

Discretionary Dividends

For the 2020 plan year, the Company declared discretionary dividends, which were paid on June 13, 2019, September 23, 2019, December 13, 2019 and March 17, 2020. For the 2019 plan year, the Company declared discretionary dividends, which were paid on June 22, 2018, September 24, 2018, December 31, 2018 and March 22, 2019. Discretionary dividends on allocated shares (both leveraged and non-leveraged) are paid in cash to the participants and are tax deductible by the Company. Discretionary dividends on unallocated shares were used to service the Plan debt.

Dividend income for the years ended March 31, 2020 and 2019 is composed of the following:

	2020 Allocated	2020 Unallocated	2019 Allocated	2019 Unallocated
Nonleveraged - required	\$ 7,699	\$ -	\$ 10,094	\$ -
Leveraged - required	358,965	54,835	136,191	297,426
Total required	366,664	54,835	146,285	297,426
Nonleveraged - discretionary	122,044	-	134,138	-
Leveraged - discretionary	10,358,820	12,698,438	1,632,657	3,745,629
Total discretionary	10,480,864	12,698,438	1,766,795	3,745,629
Total dividend income	\$ 10,847,528	\$ 12,753,273	\$ 1,913,080	\$ 4,043,055

In fiscal year 2020, the ESOP Committee directed the Trustee to use all dividends on unallocated shares to service the Plan's debt. In fiscal year 2019, the ESOP Committee directed the Trustee to retain \$3,325,865 in dividends on unallocated shares rather than to service the Plan's debt. These dividends were allocated to participants based on total shares in their ESOP stock account in relation to total shares at March 15 of each Plan year.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2020 and 2019

Summary of Significant Accounting Policies (continued)

Discretionary Dividends (continued)

In fiscal years 2020 and 2019, the Company's board of directors approved the allocation of 12,601,034 and 759,858 preferred shares, totaling \$316,319,826 and \$15,121,166 at fair value, respectively, to the ESOP participants, including in addition to the cash dividends; and 15,813 and 6,844 preferred shares allocated as dividends, totaling \$358,965 and \$136,191 at fair value in 2020 and 2019, respectively.

Administrative Expenses

During the 2020 and 2019 plan years, the Plan Sponsor paid Plan administrative costs of approximately \$31,000 and \$11,000, respectively. The Plan paid its remaining administrative expenses including audit, consulting and recordkeeping fees of approximately \$434,000 and \$706,000 in 2020 and 2019, respectively. Additionally, the Plan paid trustee fees of approximately \$501,000 and \$329,000 in 2020 and 2019, respectively.

Payment of Benefits

Benefits are recorded when paid.

Investments

The Plan's investments as of March 31, 2020 and 2019, are as follows:

	2020	2019
Investments in marketable equity securities, mutual funds, fixed income obligations, money market fund and common collective trust	\$ 69,938,451	\$ 80,075,670
Preferred stock of the Company:		
Allocated shares	19,727,616	8,159,519
Unallocated shares	1,833,679	14,450,526
Total number of shares	21,561,295	22,610,045
Cost (\$0.7818 per share for 2020 and 2019)	16,856,621	17,676,533
Fair value (\$22.70 and \$19.90 per share for 2020 and 2019, respectively)	489,441,407	449,939,891
Total investments	\$ 559,379,858	\$ 530,015,561

During 2020 and 2019, shares of 1,048,749 and 688,361, respectively, were redeemed by participants. Of these total shares, during 2020 and 2019, 9,946 shares and 37,171 shares, respectively, were redeemed for the purpose of diversification and transferred to the Profit Sharing Retirement Plan totaling \$251,633 and \$743,416, respectively.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

March 31, 2020 and 2019

Fair Value Measurements

GAAP established a fair value hierarchy that prioritizes the inputs to measure the fair value of the assets or liabilities being measured. Fair value is defined as the exchange value that would be received on the measurement date to sell an asset or to value the amount paid to transfer a liability in the principal or most advantageous market available to the entity in an orderly transaction between market participants. The three levels of the fair value hierarchy are as follows:

- Level 1 Inputs are unadjusted quoted market prices in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date. Level 1 inputs provide the most reliable measure of fair value as of the measurement date.
- Level 2 Inputs are based on significant observable inputs, including unadjusted quoted market prices for similar assets and liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.
- Level 3 Inputs are significant and unobservable inputs for the asset or liability.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at March 31, 2020 or 2019.

*Money market
funds:*

Valued at cost, which approximates fair value.

*Fixed income obligations
(U.S. Government
securities, corporate
and other bonds, agency
bonds and asset-backed
securities):*

Valued on the basis of evaluated prices provided by independent pricing services when such prices are believed to reflect the fair market value of such securities. Such prices may be determined taking into account benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data.

*Marketable equity
securities:*

Valued at quoted market prices for the number of shares held by the Plan at year-end.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2020 and 2019

Fair Value Measurements (continued)

Company preferred stock:

Determining the fair value of the Company preferred stock is judgmental in nature and involves the use of significant estimates and assumptions. These estimates and assumptions include revenue growth rates and operating margins used to calculate projected future cash flows, risk-adjusted discount rates, future economic and market conditions, and determination of appropriate market comparables. The Plan believes these assumptions are reasonable, but are inherently uncertain. Management used an annual independent appraisal in estimating fair value of the Company's preferred stock. Actual future results may differ materially from those estimates.

Common/collective trust funds:

Valued at the net asset value (NAV) provided by the administrator of the fund. Issues and redemptions of units are recorded upon receipt of unit holder's instructions based on the determined NAV per unit, which is determined daily. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. For these funds, there are no unfunded commitments, redemption restrictions, and participants can transact daily.

Mutual funds:

Value at the net asset value of shares held by the Plan at year-end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of March 31, 2020 and 2019. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2020 and 2019

Fair Value Measurements (continued)

Assets at fair value as of March 31, 2020:

	Level 1	Level 2	Level 3	Total
Investments in the fair value hierarchy:				
Mutual fund	\$ 69,693,744	\$ -	\$ -	\$ 69,693,744
Money market fund	-	244,707	-	244,707
Company preferred stock	-	-	489,441,407	489,441,407
Total assets at fair value	\$ 69,693,744	\$ 244,707	\$ 489,441,407	\$ 559,379,858

Assets at fair value as of March 31, 2019:

	Level 1	Level 2	Level 3	Total
Investments in the fair value hierarchy:				
Marketable equity securities	\$ 31,876,425	\$ -	\$ -	\$ 31,876,425
Mutual funds	8,571,369	-	-	8,571,369
Corporate and other bonds	-	7,431,308	-	7,431,308
Agency bonds and asset backed securities	-	150,417	-	150,417
U.S. government securities	-	3,392,138	-	3,392,138
Money market fund	-	6,915,496	-	6,915,496
Company preferred stock	-	-	449,939,891	449,939,891
Common collective trust funds measured at net asset value *	-	-	-	21,738,517
Total assets at fair value	\$ 40,447,794	\$ 17,889,359	\$ 449,939,891	\$ 530,015,561

* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

A reconciliation of changes in fair value of Company preferred stock classified as Level 3 in the fair value hierarchy for the years ended March 31, 2020 and 2019, is as follows:

	2020	2019
Balance - beginning of year	\$ 449,939,891	\$ 465,968,109
Net appreciation (depreciation) - unrealized	64,802,296	(2,261,005)
Redemption of shares	(25,300,780)	(13,767,213)
Balance - end of year	\$ 489,441,407	\$ 449,939,891

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2020 and 2019

Fair Value Measurements (continued)

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

We evaluate the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the years ended March 31, 2020 and 2019, there were no transfers in or out of Level 1, Level 2 or Level 3.

Loan Payable

On September 30, 1993, the Trustee entered into a \$29,500,276 secured term loan agreement with the Company. The proceeds of the loan were used to purchase convertible preferred stock from the Company's shareholders. Unallocated shares are collateral for the loan. The agreement provides for the loan to be repaid over 30 years. The loan bears interest at the lower of the three-month London InterBank Offered Rate or 6.78%, determined at the beginning of the Plan year. At the beginning of fiscal years 2020 and 2019, the loan interest rate was 2.60% and 2.31%, respectively.

The minimum scheduled amortization of the loan as of March 31, 2020, is as follows:

2021	\$ 500,000
2022	500,000
2023	822,227
Total	<u>\$ 1,822,227</u>

The carrying and fair value of the loan payable was \$1,822,227 and \$1,745,869, respectively at March 31, 2020. The fair value of the loan payable was determined based on a comparison of the interest rate and terms of such borrowings to the rate and terms of similar debt available for the period.

Party-in-Interest Transactions

The Plan's investments, including a money market fund, are held by Fifth Third Bank of Columbus (Fifth Third). Through June 2020, a portion of the Plan's investments, specifically mutual funds and common/collective trusts, were also held with Northern Trust. In June 2019, the Northern Trust investments were sold, the account was closed and all funds were moved to Fifth Third. Fifth Third and Northern Trust are the Trustee and custodian, respectively, as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions.

Through June 2019, the Plan used various investment managers to assist with the management of its investments. Fees paid to the investment managers also qualified as party-in-interest transactions.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2020 and 2019

Party-in-Interest Transactions (continued)

The Plan also uses various accounting, consulting and legal firms to assist with the administration of the Plan. Fees paid to these firms by the Plan qualify as party-in-interest transactions as well.

The Plan has a loan with the Sponsor and this transaction qualifies as a party-in-interest transaction.

Plan Amendment

During 2020, Plan management appointed a new recordkeeper, Principal Financial Group. All assets held with Northern Trust were transferred to Fifth Third Bank. Fifth Third Bank will remain as the trustee.

The Plan was amended effective as of the Plan's plan year commencing April 1, 2019 to add language regarding the application of special dividends payable in cash on unallocated loan suspense account preferred shares, revise the definition of employee, and update the claims and claims appeal procedures. Most significantly, this amendment allowed for a special dividend on the Plan's unallocated preferred shares to be used to repay a portion of the Plan's outstanding loan balance, which resulted in approximately 11,600,000 preferred shares to be released and allocated to eligible Plan participants' plan accounts as of June 30, 2019. To be eligible to receive this allocation, participants must have completed six months of service and be actively employed on June 30, 2019. Allocations of released shares will be based on eligible participants' 2018 calendar year eligible wages.

Plan Termination

The Company reserves the right to terminate the Plan at any time, subject to the Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or his/her beneficiary at the time prescribed by the Plan terms and the Code. Upon termination of the Plan, the ESOP Committee shall direct the Trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed stock held in the loan suspense account to the extent it determines such sale to be necessary to repay the loan.

Tax Status

The Internal Revenue Service (IRS) determined and informed the Company by a letter dated June 21, 2017, that the Plan and related trust are designed in accordance with the applicable sections of the Code. Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the Internal Revenue Code (IRC) and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2020 and 2019

Tax Status (continued)

GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of March 31, 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however there are currently no audits for any tax periods in process.

Risks and Uncertainties

At March 31, 2020, the Plan has investments in the Sponsor's stock as well as a mutual fund and money market fund. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities and the Sponsor's stock could occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the 2020 statement of net assets available for plan benefits.

In March 2020, the World Health Organization declared the global novel coronavirus disease (COVID-19) outbreak a pandemic. The spread of COVID-19 has severely impacted global economic activity and caused significant volatility and negative pressure in financial markets. Because of the uncertainty impacting the financial markets during this time, management is unable to estimate the impact, if any, of the pandemic on the assets of the Plan.

Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements for the years ended March 31, 2020 and 2019 to Form 5500:

	2020	2019
Net assets available for benefits per the financial statements	\$ 557,553,811	\$ 515,229,265
Accrued benefit payments	(1,307,218)	(967,953)
Net assets available for benefits per Form 5500	\$ 556,246,593	\$ 514,261,312

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2020 and 2019

Reconciliation of Financial Statements to Form 5500 (continued)

The following is a reconciliation of changes in net assets available for benefits per the financial statements for the years ended March 31, 2020 and 2019 to Form 5500:

	2020	2019
Net change in net assets available for benefits per the financial statements	\$ 42,324,546	\$ (17,561,899)
Plus: amounts allocated to withdrawing participants at beginning of year	967,953	-
Less: amounts allocated to withdrawing participants at end of year	(1,307,218)	(967,953)
Net change in net assets available for benefits per Form 5500	<u>\$ 41,985,281</u>	<u>\$ (18,529,852)</u>

Subsequent Events – Date of Management Evaluation

The Plan has evaluated subsequent events through the date of the Independent Auditor's Report, the date the financial statements were available to be issued.

Subsequent Events

The Board of Directors voted to merge this Plan into the Retirement Plan as of April 1, 2022 and adopt a new combined ESOP and Profit Sharing Plan document and related trust document with the name of the combined plan to be the Advanced Drainage Systems, Inc. Retirement and Stock Ownership Plan ("KSOP Plan"). As part of this merger, each participant's and beneficiary's total account balance under the KSOP Plan shall be at least equal to the total account balance he or she had under this Plan immediately prior to the plan merger.

[This page left intentionally blank]

SUPPLEMENTARY INFORMATION

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

EIN #51-0105665 PLAN #003

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) March 31, 2020



(a)	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	(d) Cost	(e) Current Value
*	Fifth Third Vanguard	Banksafe Trust Balanced Index Fund I	\$ 244,707 74,494,725 74,739,432	\$ 244,707 69,693,744 69,938,451
*	<i>Preferred Stock - 2.5%</i> <i>Cumulative Convertible Voting</i> Preferred Stock, \$0.01 Par Value: Allocated shares Unallocated shares Total preferred stock	19,727,616 Shares 1,833,679 Shares	15,423,050 1,433,570 16,856,620	447,816,890 41,624,517 489,441,407
			<u>\$ 91,596,052</u>	<u>\$ 559,379,858</u>

* Denotes party-in-interest