



**Associated  
Asphalt<sup>®</sup>**

**ESG Report**  
May 2023

# ▶ DESIGNATED ESG CONTACTS



**JOHN JANES**  
President & CEO



**JAMES HILL**  
COO



**JASON STARNES**  
CFO & Treasurer



**MARIE GREER**  
HR Director



**ANDY HETZ**  
EH&S Director

## MISSION STATEMENT

To generate profits as the most respected provider of asphalt products and services.

## CORE VALUES



### INTEGRITY

Adhere to the highest moral and ethical principles.



### SAFETY

Extreme consideration for people and the environment.



### RELATIONSHIPS

Constructively impact all relationships.



### INNOVATION

Introduce new ideas or methods.



### EXCELLENCE

Outstanding effort led by each employee.

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# COMPANY DESCRIPTION

Founded in 1948, Associated Asphalt is one of the largest independent asphalt terminalling, storage, and distribution networks in the U.S. We purchase, transport, store, blend, and resell liquid asphalt and emulsion throughout the Eastern Region. Associated Asphalt serves as a critical link in the asphalt supply chain by offering ratable, year-round offtake to integrated refiners and distributing to longstanding paving contractors.

We represent the largest asphalt logistics platform on the East Coast, comprised of strategically located terminals with advantaged logistical capabilities.

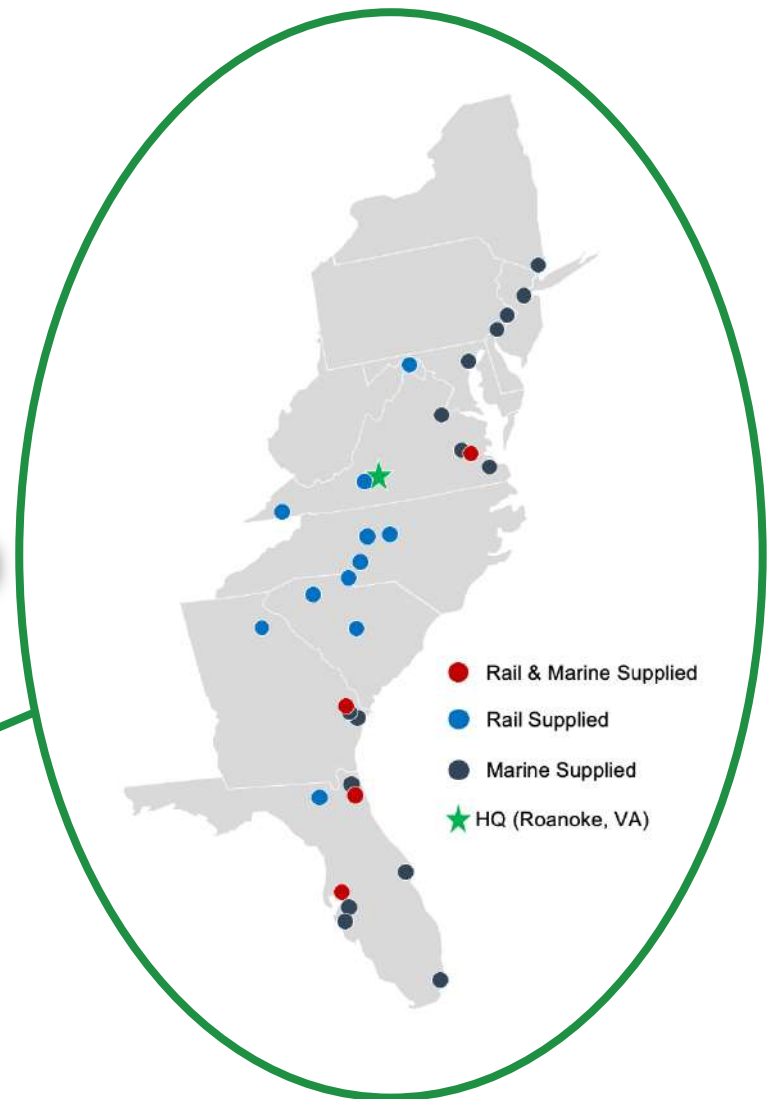
Associated Asphalt owns or leases 30 asphalt terminals with approximately 5.5 million barrels of asphalt storage capacity throughout the Mid-Atlantic, Southeast, and Northeast U.S.

### SIC Codes

5171	2951
4226	4212

### NAICS Codes

424710	324121
493190	484110





# ESG COMMITMENT STATEMENT

Associated Asphalt is committed to building environmental sustainability, social responsibility and effective corporate governance into all aspects of our business. As a company, we are committed to business decisions and policies which provide greater opportunity to expand our ESG focus. We expect this commitment to be upheld by all employees of the Company.



**As we look ahead to the future, we will continue to be transparent and remain focused on expanding our ESG efforts in three primary areas:**



### **ENVIRONMENTAL SUSTAINABILITY**

We are committed to operating in an environmentally responsible manner to reduce our impact on climate change, conserve natural resources and operate in compliance with environmental regulations. We are committed to sustainability across all aspects of our business and our communities.



### **SOCIAL RESPONSIBILITY**

We are committed to being a socially responsible employer by fostering an environment of diversity and inclusion across our business and supporting our local communities. We will actively seek opportunities to educate and build a work force that is representative of the most talented individuals from all groups, ethnicities, and genders.



### **CORPORATE GOVERNANCE**

We are committed to building a culture dedicated to ethical business behavior and responsible corporate activity. Governance and oversight with an unwavering commitment to key stakeholders is vital to our success.



# ENVIRONMENTAL SUSTAINABILITY



## CLIMATE RISK AND RESILIENCE

### Greenhouse Gases (GHG)

All Associated Asphalt locations are minor sources of GHG emissions using one of the lowest GHG emitting fuels. None are subject to the GHG reporting requirements of 40 CFR 75.

Natural gas consumption (both total and normalized to product throughput) is tracked at each of our terminals. We also conduct assessments to maintain combustion efficiency on our energy-consuming units.

### Severe Weather Preparedness

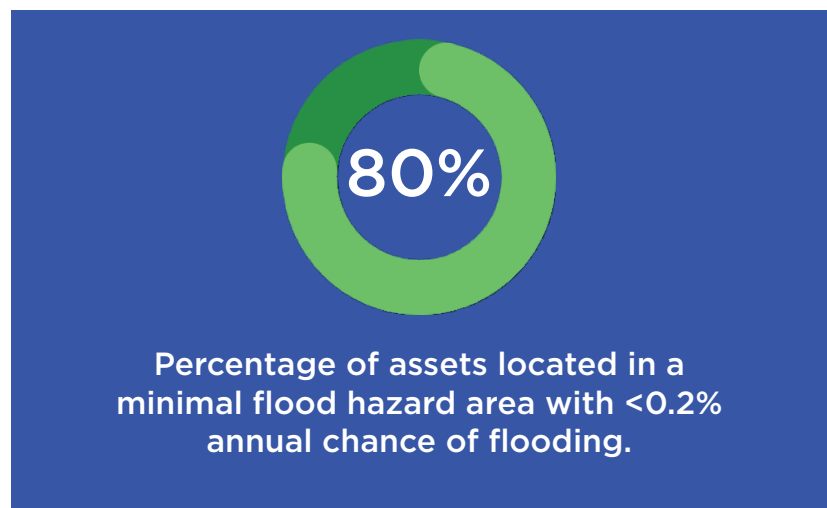
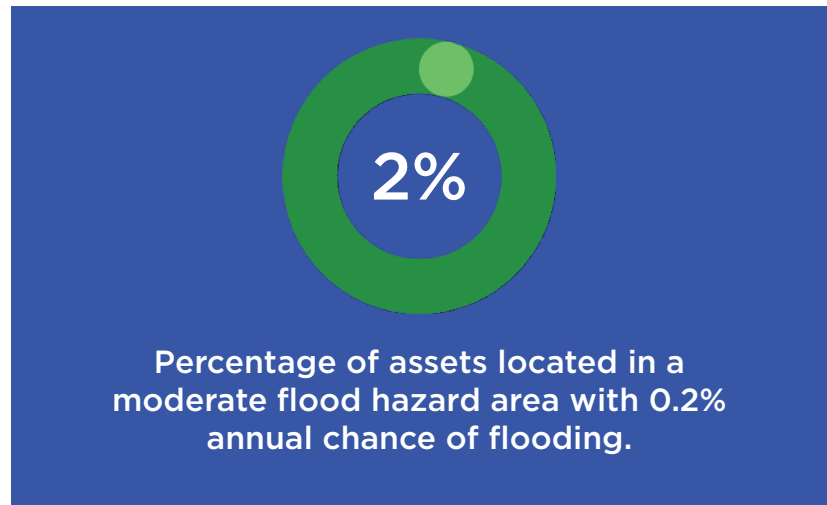
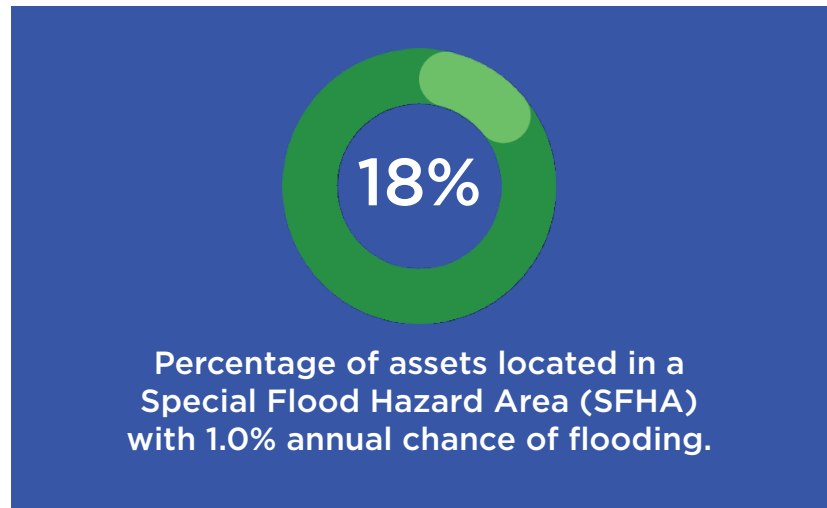
**Policies:** Associated Asphalt has an Emergency Weather Policy to address preparation and response to severe weather forecasts. Our Disaster Recovery Policy formalizes procedures to stand up an Incident Command when severe weather events occur.

**Climate Risk and Resilience:** Associated Asphalt focuses daily on readiness and response regarding meteorological developments to ensure appropriate measures are in place to protect our people, assets, and communities. In accordance with our Disaster Recovery Policy, we implemented Incident Commands for recent tropical storms and hurricanes that affected our Tampa terminals. Those terminals were prepared with pumps, generators, and other supplies necessary to minimize potential risks to the environment and surrounding neighborhoods from severe weather.

Climate risk and resilience evaluation is a continuous process throughout our terminal network. As a result of recent evaluations we acquired equipment for storm preparedness at affected sites, installed a flood-protection berm at Bristol, and determined that the berm surrounding the Tampa 19th Street facility provides protection against a significant storm surge

in Tampa's Ybor Channel.

**Flood Evaluation:** The following statistics are from a recent flood risk analysis:



## CONSERVATION PRACTICES

### Water Conservation

Stormwater runoff at our Columbia, SC facility is collected and recycled in our emulsion manufacturing process. This practice saves thousands of gallons of municipal water use.

We return steam condensate used to heat rail cars to boiler feedwater collection tanks. This significantly reduces our terminals' demand and discharge of water to generate steam, in addition to reducing the fuel consumption required to execute our operational processes.

### Land Conservation

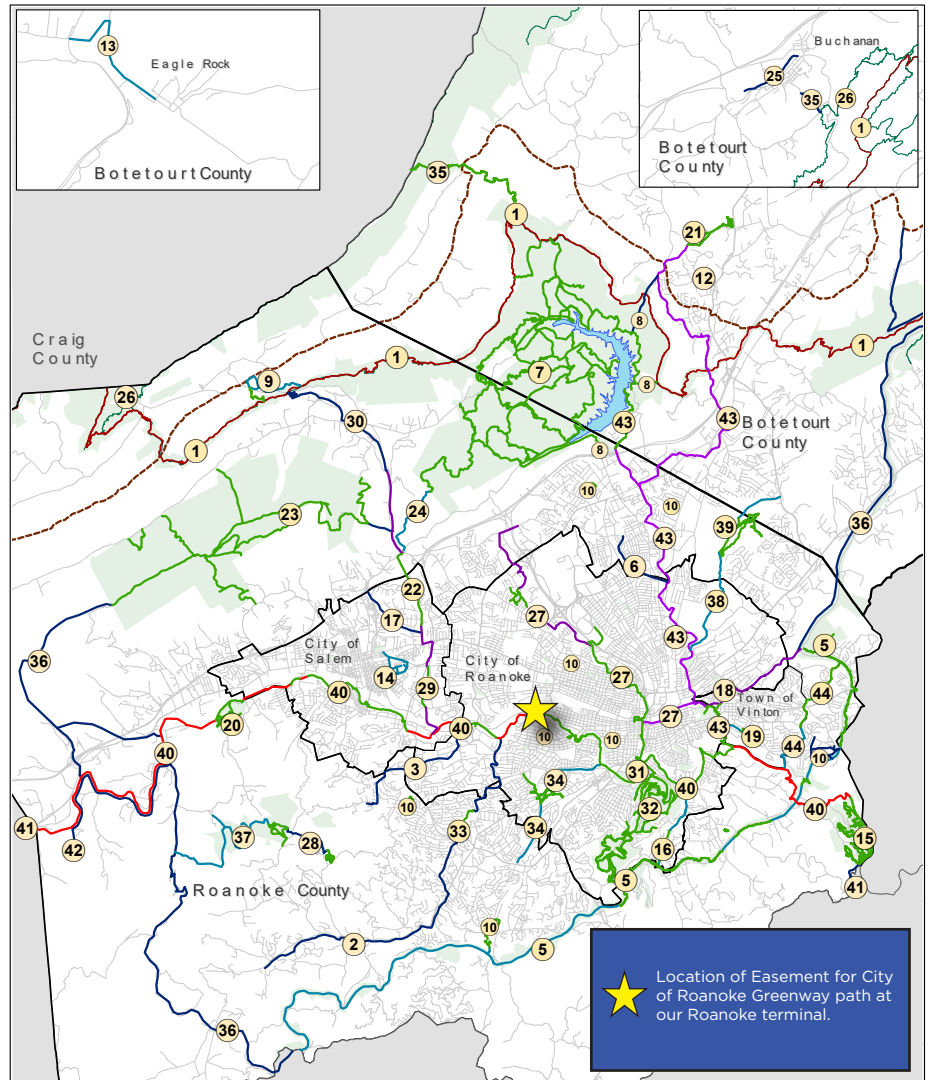
**Greenways:** An easement has been given to the City of Roanoke, Virginia to construct a greenway path along the river at our Roanoke terminal.

### Hazardous Waste:

Associated Asphalt is generally not a generator of hazardous waste. This status is reviewed annually during preparation of Toxic Release Inventory reports. We recycle universal waste at our facilities and asphalt and emulsion wastes are returned to the processes for recycling.

**Recycling:** Associated Asphalt is fully compliant with all regulatory requirements and has several recycling practices. Our corporate office recycles used batteries, paper, and plastic. Our emulsion terminals reclaim waste emulsions for use in paving grade asphalt mixes. Our Colprovia site in Columbia, SC recycles storm water runoff for use in cold mix manufacturing.

**Solid Waste:** Associated Asphalt monitors waste generation and enforces policies to minimize hazardous waste generation. Where possible, asphalt is recycled back to our processes.



2018 Greenway Plan Network Map

Prepared by the REGIONAL commission

1 - Appalachian Trail	17 - Gish Branch Greenway	32 - Mill Mountain Park Trails
2 - Back Creek Greenway	18 - Glade Creek Greenway	33 - Mudlick Creek Greenway
3 - Barnhardt Creek Greenway	19 - Gladetown Trail	34 - Murray Run Greenway
4 - Birding and Wildlife Trail Sites	20 - Green Hill Park Trails	35 - National Forest Connections and Trails, Unbuilt
5 - Blue Ridge Parkway Trails	21 - Greenfield Trails	36 - Perimeter Trail
6 - Carvin Creek Greenway	22 - Hanging Rock Battlefield Trail	37 - Poor Mountain Trails
7 - Carvins Cove Trail Network	23 - Havens Wildlife Management Area Trails	38 - Read Mountain Greenway
8 - Carvins Cove Connections	24 - Hinchee Trail	39 - Read Mountain Trails
9 - Catawba Greenway	25 - James River Greenway	40 - Roanoke River Greenway
10 - City, County and Town Park Trails	26 - Jefferson National Forest Trails	41 - Roanoke River Greenway Extensions
11 - Craig Creek Trail	27 - Lick Run Greenway	42 - Spring Hollow Trails
12 - Daleville Greenway*	28 - Long Ridge Trail	43 - Tinker Creek Greenway*
13 - Eagle Rock Greenway	29 - Mason Creek Greenway	44 - Wolf Creek Greenway
14 - Elizabeth Greenway	30 - Masons Cove Greenway	
15 - Explore Park Trail Network	31 - Mill Mountain Greenway	
16 - Garden City Greenway		

\*Please see Appendix E for more information about the alternative alignments for Tinker Creek and Daleville Greenways.

Appendix H - 3

Legend  
**Proposed Greenways**  
 - Category 1 Roanoke River Greenway, Unbuilt  
 - Category 2 Hard Surface Greenways and Trails, Unbuilt  
 - Category 3 Greenways and Trails in Design  
 - Category 4 Conceptual Greenways and Trails  
 - Category 5 Built Greenways and Trails  
 - National Forest Trails  
 - Appalachian Trail  
 - U.S. Bicycle Route 76  
 - Locality Boundaries  
 - Public Lands

0 0.75 1.5 3 4.5 6 Miles



## Wildlife Conservation

Associated Asphalt facilities are in industrial areas and do not contain undeveloped land available for wildlife conservation or preservation.

## AIR QUALITY PROTECTION

Our products and operational processes have a low emission profile. Our terminals are classified as minor sources of air emissions and are either exempt from permitting or operate under minor source air permits. As exempt or subject to a minor source permit, we are not required to employ or utilize air emission controls; however, we operate and maintain several control systems and have upgraded our energy consuming systems to further reduce our emission profile and impacts on our neighbors.

## ENVIRONMENTAL PROTECTION

Associated Asphalt maintains all necessary environmental permits to construct and/or operate our assets. All permits are valid and up-to-date.

There were no regulatory findings of non-compliance during the 2022 reporting period.

**External Audits:** Our terminals are regulated by the U.S. Environmental Protection Agency, the Federal Railroad Administration, OSHA, the U.S. Coast Guard (at our Hopewell, VA and Tampa, FL terminals), State Environmental Agencies for Air Pollution Control, Oil Pollution Prevention, Stormwater Discharge, and Waste Management, and Local Fire and Wastewater Treatment Authorities. These agencies inspect our terminals on a frequency ranging from annually to every five years. During 2022, we received no environmental Notices of Violation at any of our 13 owned terminals.

**Self-Audits:** In Q1 2023, Associated Asphalt's EHS staff conducted self-audits of the regulatory compliance of each terminal owned by Associated Asphalt. Proactive measures are being implemented, and each terminal was issued electronic "wall-charts" as a reminder of regulatory obligations to be met.

### Our terminals are regulated by



- State Environmental Agencies
- Local Fire Authorities
- Local Wastewater Treatment Authorities

**During 2022, we received no environmental Notices of Violation at any of our 13 owned terminals.**



# SOCIAL RESPONSIBILITY



# CORPORATE GIVING COMMITMENT

## Paving the Way Forward®

Associated Asphalt is committed to building environmental sustainability, social responsibility and effective corporate governance into all aspects of our business, including how we provide financial support to charitable organizations and local communities.

Our commitment to corporate giving is three-fold:



### ENVIRONMENTAL SUSTAINABILITY

Promoting environmental sustainability by supporting industry-related organizations and entities in the communities in which we conduct business, in order for our employees, their families and community residents to live and work in cleaner, greener, more sustainable communities.



### SOCIAL RESPONSIBILITY

Supporting organizations which provide for the needs of those living and working in the local communities we serve; promoting diversity, equity and inclusion of all groups, ethnicities, and genders.



### CORPORATE GOVERNANCE

Providing financial support to 501(c)3 charitable organizations committed to ethical business practices.

*Thanks for being an Associated Asphalt giver to the United Way!*

*These pictures represent just a few of our amazing givers!!!!*

**Our goal was \$27,500**

Donations to United Way

**Congratulations to the raffle winners!!!!**

<ul style="list-style-type: none"> <li>2 days of PTO - Kyle Laag, Columbia, Team Equipors</li> <li>1 day of PTO - Shawn Buck, Corporate, Team Equipors</li> <li>1 day of PTO - Nanette Masoy, Tampa, Team Drawers</li> <li>\$300 Walmart GC - Corey Ritchie, Salisbury, Team Equipors</li> <li>\$300 Walmart GC - Sarah Solor, Tampa, Team Drawers</li> <li>\$25 Chick-Fil-A GC - Brenda T. City, Bristol, Team Defenders</li> <li>\$25 Chick-Fil-A GC - Mason Morrison, Salisbury, Team Defenders</li> </ul>	<ul style="list-style-type: none"> <li>\$25 Chick-Fil-A GC - Thomas Cox, Inman, Team Equipors</li> <li>\$25 Starbucks GC - Shannon Williams, Hopewell, Team Defenders</li> <li>\$25 Starbucks GC - Ann Neal, Corporate, Team Equipors</li> <li>Associated Asphalt Tumbler - Bobbi Mullins, Roneta, Team Equipors</li> <li>Associated Asphalt Tumbler - Ken Make, Corporate, Team Equipors</li> <li>Tithe Golf Balls - Elliott Tarkenton, Charlotte, Team Equipors</li> <li>Tithe Golf Balls - George Mariani, Roneta, Team Drawers</li> </ul>
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**Thanks to our Captains, Colleen Moore, Angie Brinson, Angela Isaac & Laura Benfield that helped out!**



# SAFETY

Supporting a safety- and environmentally-conscious workforce, Associated Asphalt has three full-time employees devoted to safety, health, and the environment, with an organizational priority to the safety and well-being of our environment, communities, and employees:

- Director of EH&S
- EH&S Manager
- EH&S Training Manager



**ANDY HETZ**  
EH&S Director



**KAREN MURPHY**  
EH&S Manager



**TERRY ADAMS**  
EH&S Training  
Manager

Safety is nested in all of Associated Asphalt's operations. To promote and enhance our safety culture, our site managers routinely conduct field verifications for all of our standard operating procedures (SOPs). This is done with an emphasis on safe operations. SOPs have been developed for our more common tasks, such as rail car, truck, and barge loading and unloading. Site managers are required to certify that each operator demonstrates the ability to safely perform each task for which an SOP was written. We achieved 100 percent compliance for all operators having more than 90 days of service as of December 31, 2022.

Contractors hired by Associated Asphalt are required to adhere to our Safety Management Program. Contractor Safety and Contractor Management Policies were implemented in 2021, and are regularly audited to ensure compliance. Our Contractor Management Policy requires review and approval of contractors prior to their being issued a purchase order. Safety record is one of the primary criteria for this approval, and we have rejected (and reserve the right to disqualify) contractors based on poor EHS performance. Our Contractor Safety Policy and our Contractor Access Agreement outline EHS requirements for contractors on site, which includes participation in our safe work permitting process. This process facilitates life-critical safety policies such as fall protection, hot work, lockout-tagout, confined space entry, and hazard communication.



Site managers are required to certify that each operator demonstrates the ability to safely perform each task for which an SOP was written.

Additionally, contractors are informed of requirements to meet OSHA and safe work requirements, report incidents and near misses, provide containment and prevent and mitigate spills and discharges, mark and avoid underground lines, avoid overhead hazards, and follow other safe work practices.

Associated Asphalt has robust life-critical safety policies in which work permits are developed for all contract and non-routine projects. Job Safety Analyses have been conducted for all routine or repetitive work. Our terminals conduct daily safety discussions with operators in our terminals. These daily meetings include review of work permits, job safety analyses, toolbox topics and communications sent out by EHS staff, near misses, and other topics suggested by terminal staff. Safety performance and qualifications are assessed for each contractor through the contract approval process within our Contractor Management Policy.

Associated Asphalt's Hazardous Work Policy requires that hazardous tasks be performed by individuals who are qualified and experienced in the task. Our Hazardous Weather Policy defines weather conditions that are unsafe for certain tasks. The Hazardous Weather Policy also requires each terminal to develop an emergency weather response plan with the acquisition of supplies to prepare for weather emergencies.

Associated Asphalt conducts quarterly internal audits to test compliance with our Safety Management Program. We use safety audit checklists focusing on 27 different safety topics such as electrical safety, fire safety, hand tools, portable ladders, machine guarding, and others. We formally audit safe work, hot work, lockout/tagout, and confined space work permits. Most findings are minor and can be corrected by the Terminal Manager. We elevate findings that may benefit other terminals or that require management or financial assistance.

## Preventative Safety Measures

**Terminal Personnel Safety Bonuses:** Safety bonuses for terminal operations employees are issued per each 6-month period based on (1) employee participation in our near miss program, (2) personal performance, (3) unit performance, and (4) overall company performance. Employee participation includes submission of near misses, safety audits, and leading safety meetings.

**Near-Miss Reporting:** Employees submit near misses that are reviewed by Operations Management and the EHS staff and lead to improvements in procedures or equipment if needed. In 2022, operations staff met our goal of more than 90% of employees submitting at least two near misses per 6-month period. At the end of each quarter, near misses are judged in a safety contest and the winner receives a reward.

**Safety Alerts, Advisories and Notices:** All safety incidents are emailed to all employees as "Safety Flashes." The EHS staff issues safety communications at least twice per month and helps develop topics for daily safety briefings performed in the terminals. The EHS staff also tracks heat advisories and storm warnings and distributes them to affected terminal locations.

**Safety Committee and Safety Meetings:** Associated Asphalt's Safety Committee advises and serves as a sounding board for the EHS Department.

## Safety SHARE – Pump Maintenance & Guarding

### What happened?

A pump coupling guard was found missing during a routine operator inspection and replaced.

### What you need to know?

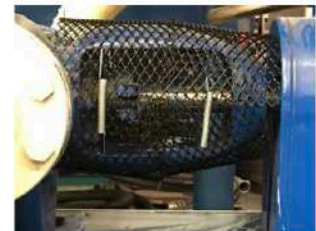
- All rotating shafts need to be guarded, including any exposed ends of these shafts.
- Coupling and belt guards should be designed to prevent contact with the coupling or shaft, such that no opening is greater than ¼".
- As much as practical, the guard should prevent contact with rotating elements in front, behind and on either side.

### What can you do?

- **AVOID** hand injuries! Wear suitable work gloves **BEFORE** performing service or maintenance. Some guards may have sharp edges.
- **ALWAYS** replace guards removed for service or maintenance.
- Replace or repair damaged guards as soon as practical!
- If a guard must be removed for repair or replacement, use red "DANGER" tape or any other means to create a safe approach distance of at least seven (7) feet from the rotating parts.
- When replacing drive belts, be aware of the pinch points as the belt is rolled into position.
- **COMMUNICATE!** Be sure your entire team knows about **ANY** abnormal conditions around your terminal, including missing or damaged guards.

**Brian Blevins, with the Hopewell team, submitted the Near Hits for this Safety Share.**

**Associated  
Asphalt**





# 2022 SAFETY RESULTS

516,210	Total Employees Labor Hours Worked as of Dec 31, 2022.
100%	Percentage of safety incidents/ accidents investigated
2	Number of OSHA Total Recordable Incidents (TRI) as of Dec 31, 2022.
2	Number of total cases of Days Away from Work, Job Transfer, or Restriction (DART)
0.77	Total OSHA Recordable Incident Rate (TRIR), calculated annually $TRIR = TRI * 200,000 / (\text{No. Employee Labor Hours Worked})$
0.77	Days Away/Restricted or Job Transfer Rate (DARTR), calculated annually $DARTR = DART * 200,000 / (\text{No. Employee Labor Hours Worked})$
0	Number of safety incidents/accidents requiring immediate notification to an agency

All terminals conduct daily meetings with an emphasis on safety. These daily meetings include review of safe work permits, job safety analyses, toolbox topics, communications sent out by EHS staff, near hits, and other topics suggested (and often led) by terminal staff. The safety lead also helps to develop the daily safety briefings for the staff.

**New Employee “Fit for Duty” Orientation:** All operations employees receive a safety orientation that includes at least 8 hours of training on Associated Asphalt’s safety policies and practices. Operators are required to perform field demonstrations to prove that they are proficient with Standard and Safe Operating Procedures. We achieved 100% participation in these field demonstrations for all operators who had greater than 90 days of service in 2022.

**EHS Manuals:** All EHS policies and procedures are given to employees and are available on the company Intranet.

**Continuing EHS Training:** All of our terminal operators receive safety training upon employment, and refresher training every 3 years. Environmental training is conducted annually.

**Driver Behavior Scorecard:** Transport drivers are given safety bonuses that account for up to 5% of their compensation. These bonuses are based, in part, on performance monitored by electronic logging devices. Criteria for these bonuses drivers ability to demonstrate proper awareness in their surroundings and attention to detail while in transit to speeding and hard braking, that will result in eliminating preventable incidents and accidents.

**Terminal Manager Training:** We have a robust training for our terminal management which includes incident case management, incident investigation, incident response, and environmental regulations. In addition, Terminal Managers hold daily safety briefings in their morning meetings. Operators are encouraged to give their own presentations. Noteworthy near misses from previous days are reviewed.

**Other:** Realizing that the task causing the most injuries has been rail car unloading, we have focused on making our rail car unloading process and equipment safer. We installed drain fittings on our rail car steam hoses to prevent our operators from coming into contact with hot steam condensate. We issued a policy to use only mechanical methods (and not manual force) on difficult-to-open dome lids and belly valves.

# SAFETY AWARDS

Associated Asphalt has won numerous annual safety awards from the Virginia Trucking Association and the South Carolina Trucking Association. In addition, Associated Asphalt received the following awards:



International Liquid Terminals Association Safety Excellence Award: 2022, 2023



Charlotte, NC terminal – North Carolina Dept. of Labor Safety Excellence Award, 2022



Gainesville, GA terminal – Georgia Dept. of Labor Safety Excellence Award, 2022



Bristol, VA; Columbia, SC; Roanoke, VA; and Tampa, FL - Causeway emulsion terminals – Asphalt Emulsion Manufacturing Association (AEMA) Excellence in Manufacturing Award\*, 2022

\*Per the AEMA, “The AEMA Excellence in Manufacturing Award is presented to qualifying plants that meet or exceed AEMA requirements demonstrating best practices in all areas of manufacturing. In addition to providing a measurement of best practices, the award offers plants an avenue for continuous improvement, a demonstration of good corporate citizenship, and a way to display community friendly operations. Earning the Excellence in Manufacturing Award demonstrates a company’s dedication to Safety, Exceptional Products, and Quality of plant and personal performance, showing that these companies are dedicated to the highest levels of the industry and to their communities.”

We communicated with rail suppliers to ensure that we do not receive belly valves that are clogged with debris and dome lids that have been over-tightened. We issued a communication to our operators to ensure that they maintain suction on the cargo hoses prior to disconnecting them to avoid being sprayed with hot asphalt.

### Workforce

Associated Asphalt has a goal of annually increasing the diversity of our workforce by proactively engaging with candidates from diverse ethnicities and backgrounds. We actively participate in recruiting activities that introduce us to a wider range of candidates including minorities, women, the disabled and veterans. In 2022, as part of our Affirmative Action / EEO Plan, we were able to increase our Diversity, Equity, and Inclusion (DEI) recruiting efforts by 25%, resulting in greater exposure and an increase in candidate diversity.

### Community Engagement

Associated Asphalt takes pride in organizing employee volunteer groups and donating to nonprofit organizations. Annual initiatives include company sponsorship of food drives, adopt-a-senior programs, giving and serving at the local rescue mission, and company-wide United Way campaigns with both individual (through payroll deduction) and company giving.

## EMPLOYMENT FACTS (AS OF 12/31/22)

Total full-time employees: 247

Percentage of full-time employees who have been with Associated Asphalt for 5 years or more: 52%

Average tenure of full-time employees: 8.6 years





Additionally, the company provides time for employees to serve on boards and committees of industry and charitable organizations. In 2022 the company donated a total of \$297,500 in charitable contributions among 27 charitable partners.

Associated Asphalt offers a Day of Service program that provides up to 8 hours of paid time for each employee to volunteer in his or her local community. As a part of this initiative, we organize groups to serve together with our partner organizations.

**Environmental Justice (EJ) Areas:** Based on the criteria of a Demographic Index of >50% as indicated by EPA's Environmental Justice Screening Tool (EJSCREEN), the following Associated Asphalt terminals are located within EJ Areas: Gainesville, GA; Lake City, FL; Salisbury, NC; and both terminals in Tampa, FL. To enhance or support EJ in those areas, as well as the areas around our other terminals, we focus on responsible operations, including environmental compliance and minimizing our impact on the surrounding communities. We encourage community involvement among all of our employees and participate in several activities in each community. No project development permitting requirements associated with EJ Areas triggered an EJ review in 2022.

**Community Impact:** Our vehicles regularly enter and exit our surrounding communities. We closely monitor their activity with various technologies, perform regular equipment maintenance, and conduct driver pre-trip truck inspections. We consistently emphasize safe driving by requiring our drivers to complete Smith System training, and we electronically monitor driver speeds and high braking. We also have our lead drivers assume overall fleet leadership with other drivers to emphasize safe driving. Incident and turnover rates among our drivers remain well below the national average. We are not aware of any local opposition to our operations or the development of new projects at our terminals. None of our assets are within 5 kilometers of the boundaries of Indigenous Land.







# CORPORATE GOVERNANCE

Associated Asphalt has an ESG Committee that develops goals and defines programs for best practices.

### **POLICIES AND PROCEDURES**

Associated Asphalt is a member of industry associations advancing ESG initiatives. We have assigned leadership positions with responsibility and accountability for the following policies and procedures:

- Environmental, Social, Governance
- Code of Ethics / Business Conduct
- Anti-Corruption / Anti-Bribery
- Environmental, Health & Safety
- Cyber Security
- Business Continuity / Disaster / Pandemic Recovery
- I-9 Verification

Each of these policies/procedures is supervised, monitored, and enforced by a Director-level leader and appropriate staff. Policies and procedures are also reviewed by internal and external counsel and are updated as needed.

Policies and procedures are communicated to our employees via new hire orientation, in employee handbooks, in our corporate Office Manual, on our company Intranet site, and via appropriate annual or biennial training as warranted by the subject matter.

Associated Asphalt has a documented internal reporting and investigation process for reporting misconduct or fraud, as well as a Whistleblower program and an outside Ethics Hotline available 24/7 to employees. Employees are trained on whistleblower policies and procedures. Claims or complaints are documented and investigated promptly. Findings from these investigations are used to improve ongoing processes and training.





## Training

Associated Asphalt's employees receive ongoing training in the following areas:

- Health & Safety
- Environmental
- Operating Procedures for Common Tasks
- Emergency Preparedness
- Cybersecurity
- Sexual Harassment
- Discrimination
- Equal Opportunity
- Diversity, Equity, and Inclusion (DEI)

Antitrust training is given biennially to corporate management and all employees who interact with customers, suppliers, and competitors.

## Governance

Associated Asphalt safeguards against illegal practices (including, but not limited to, corruption and fraud) through policies in our Employee Handbook, which are reviewed regularly with our employees, and through the ongoing training noted in the previous section.

To date, there have been no investigations, litigation, or other legal proceedings (including civil proceedings) with respect to ESG-related, corporate governance, malpractice, tax-related, or ethical-related matters against Associated Asphalt or its affiliates, directors, officers, and board members.

We continually evaluate our workforce and succession planning. By modeling our core values of Integrity, Safety, Relationships, Innovation, and Excellence, we have created a culture and structure for identifying key talent and evaluating the strengths and opportunities with each individual to determine how he/she/they may be developed for future opportunities. We utilize existing organizational charts along with modeling for future growth and change.

Associated Asphalt incorporates ESG efforts and performance into annual reviews and compensation decisions.

## Cybersecurity

The following measures have been implemented with respect to cybersecurity:

- Third-party security assessments
- Multi-factor authentication
- System to detect data breaches
- Penetration testing
- Annual safe computer training given to all employees
- Incident response plan

Associated Asphalt had no cybersecurity incidents in 2022.







### PAVING THE WAY FORWARD®

Founded in 1948, Associated Asphalt is one of the largest, independent asphalt terminalling, storage, and distribution companies in the United States. Backed by more than seven decades of industry experience - and a 5.5 million barrel capacity - we serve the Eastern United States with a focus on safety, environmental responsibility, and dedication to helping contractors pave their own road to success.

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