

2022  
**ESG REPORT**



Published: August 22, 2023

Dear Stakeholders,

I am delighted to present our latest Environmental, Social, and Governance (ESG) report, showcasing our commitment to building a sustainable future and driving a greener tomorrow. As we navigate the complex challenges of our time, I am proud to share our progress and highlight a key priority that lies at the heart of our organization: zero waste.

At Liberty Tire, we recognize that the pursuit of zero waste is not just an aspiration; it is a responsibility we owe to our planet and future generations. By finding new and innovative uses for end-of-life tires and reducing waste throughout our operations, we are actively working towards minimizing our environmental impact and creating a more circular economy.

The accomplishments detailed in this report stand as a testament to the dedication and ingenuity of our exceptional employees. Their tireless efforts and innovative thinking have propelled us forward, enabling us to set ambitious targets and exceed expectations. From the production floor to the boardroom, every member of our team has played a role in bringing new ideas and implementing effective solutions.

Furthermore, our employees have demonstrated an unwavering commitment to engaging with local communities and driving positive change. Through volunteering initiatives, educational outreach programs, and partnerships with nonprofits, we have empowered our employees to become sustainability champions, extending our impact beyond the walls of our organization. Their dedication to making a difference exemplifies the values that define us as a company.

Looking ahead, we remain steadfast in our pursuit of zero waste. We will continue to invest in research and development and collaborate with industry partners and experts to explore innovative waste reduction technologies.

I want to express my deepest gratitude to our exceptional employees, whose passion, creativity, and determination have made our company the business we are today. Their tireless efforts reflect their character and unwavering commitment to our shared vision.

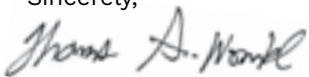
As we continue to evolve and strive for excellence, we invite all our stakeholders to join us on this transformative journey. Together, we can build a future where end-of-life tires are no longer considered waste, resources are conserved, and the planet thrives.



Liberty Tire is leading the industry by **Driving a Greener Tomorrow.**

Thank you for your ongoing trust and support.

Sincerely,



**THOMAS WOMBLE**

CEO

## Corporate Highlights

Years In Business

**22**

Number of Employees

**3,099**

Number of Customers

**53,423**

Locations Across North America

**52**

*(45 facilities, 7 offices)*

States/provinces where we operate

**53**

Headquarters

**Pittsburgh, PA**

## ESG Highlights

% of Women in Corporate/Regional Leadership

**22%**

On Grid Renewable

**21.21%**

Scope 1 & 2 GHG Emissions

**103,284**

*CO<sub>2</sub>-e Metric Tons*

Liberty Learning Training Hours

**156,373**

Tires Collected

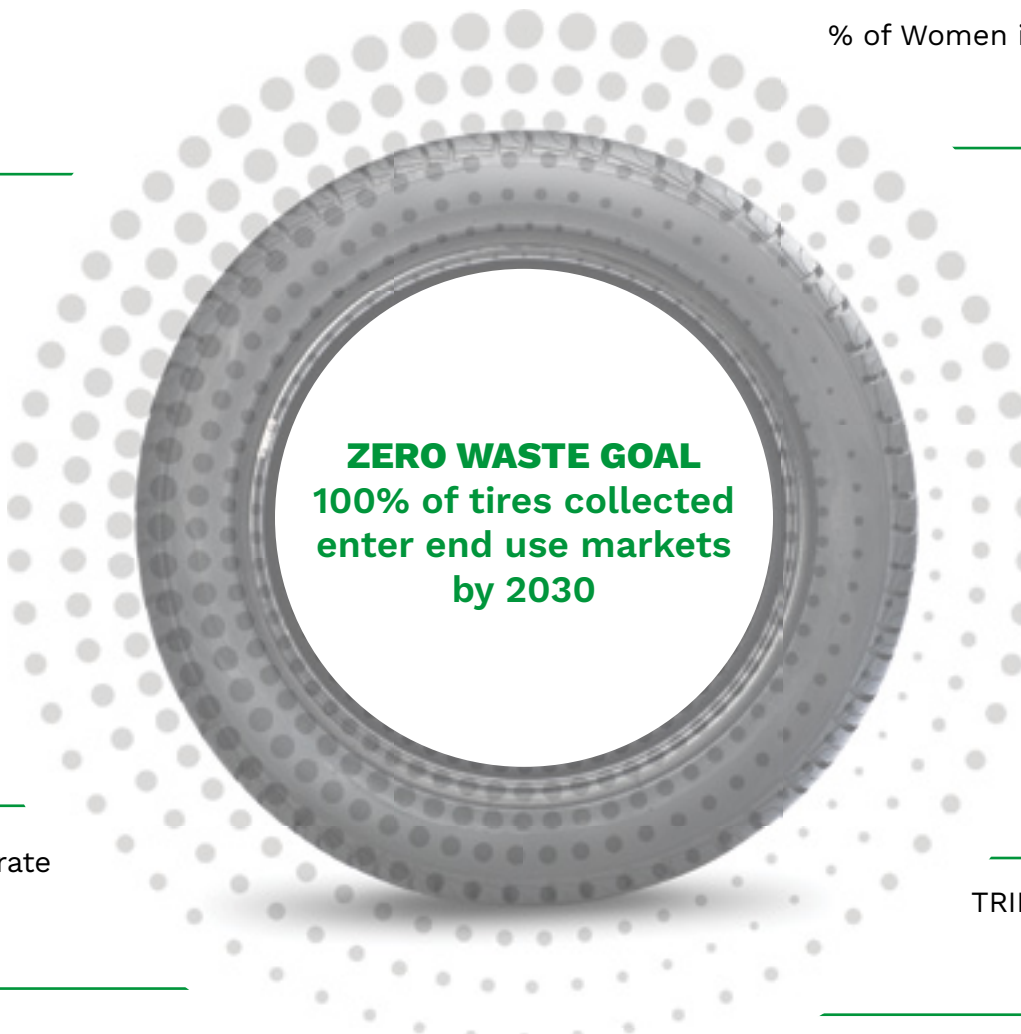
**195,925,849**

TRIR (Total Recordable Incident Rate)

**3.24**

Number of Brands

**17**



## Who We Are

Founded in 2000, Liberty Tire Recycling, LLC (“Liberty Tire”) is committed to partnering with our stakeholders and all tire manufacturing industry leaders to create a more sustainable planet.

We continually strive to develop new and more efficient methods to reclaim, recycle, reuse, and repurpose the more than 195 million end-of-life tires we collect annually. Our efforts to keep tires out of landfills and clean illegal dump sites benefit ecosystems and the communities in which we live and work. Our passion is making the world a better place for generations to come by boldly changing how the tire industry approaches sustainability.

As the North American market leader in tire recycling management operating in both the United States and Canada, Liberty Tire reclaims **more than 4.3 billion pounds of rubber each year**. The recycled rubber produced by Liberty Tire is used for:

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**Surfacing applications** like sports fields, gym and hospital rubber flooring, athletic track surfacing, and equestrian arenas

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**Molded products** like landscape edging and pavers, lawn and garden products such as splash blocks for rain spouts, weightlifting plates, ADA-compliant thresholds, and the base of traffic cones

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**Construction and civil engineering applications** like asphalt, beneath railroad tracks, sound dampening, roadbeds, stormwater retention, and drain fill material

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**Tire-derived fuel** to power industrial kilns, paper mills, and power plants

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**Mulch** for landscaping and playgrounds



A focus on environmental stewardship drives Liberty Tire to develop innovative solutions for end-of-life tires.

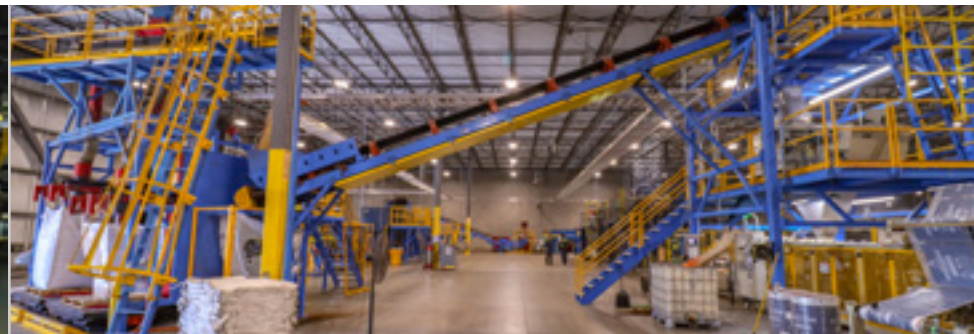
Our work ensures end-of-life tires are repurposed to the greatest extent possible as we move ever closer to our zero waste goal. This process improves the overall environmental footprint of a tire by reducing the raw materials required to produce new products, thereby decreasing the waste sent to landfills.

## What We Do



### Tire Collection

Liberty Tire is a full-service tire collection, processing, and manufacturing company. Each year, all types of tires are collected from more than 36,700 retail locations across North America and processed at one of our 38 strategically located manufacturing plants throughout the United States and western Canada. Over the last decade, more than 1.56 billion tires have been collected by Liberty Tire and we are continually developing new partnerships to expand our recycling efforts.



### Tire Processing Services

Liberty Tire uses state-of-the-art technologies in our 38 advanced processing plants to recycle end-of-life tires into reusable raw materials such as crumb rubber, industrial feedstock, feedstock for retail products, tire-derived aggregate (TDA), and tire-derived fuel (TDF).

### Tire Remediation Services

Liberty Tire works with communities to remediate abandoned or illegal end-of-life tire piles. Since 2011, we have remediated more than 150 dump sites and recycled over 40 million abandoned tires throughout the United States. Each year, Liberty Tire takes part in more than 450 cleanup projects or sponsored amnesty days where consumers are able to bring tires for disposal at no cost.



### Manufacturing

Through reclamation and recycling efforts, Liberty Tire repurposes end-of-life tires into useful, inventive products for both the commercial and retail sectors. Utilizing recycled rubber, we manufacture more than 100 product SKUs that are sold in North America at more than 10,000 retail and commercial locations, including every major home improvement retailer.



## Achieving Circularity

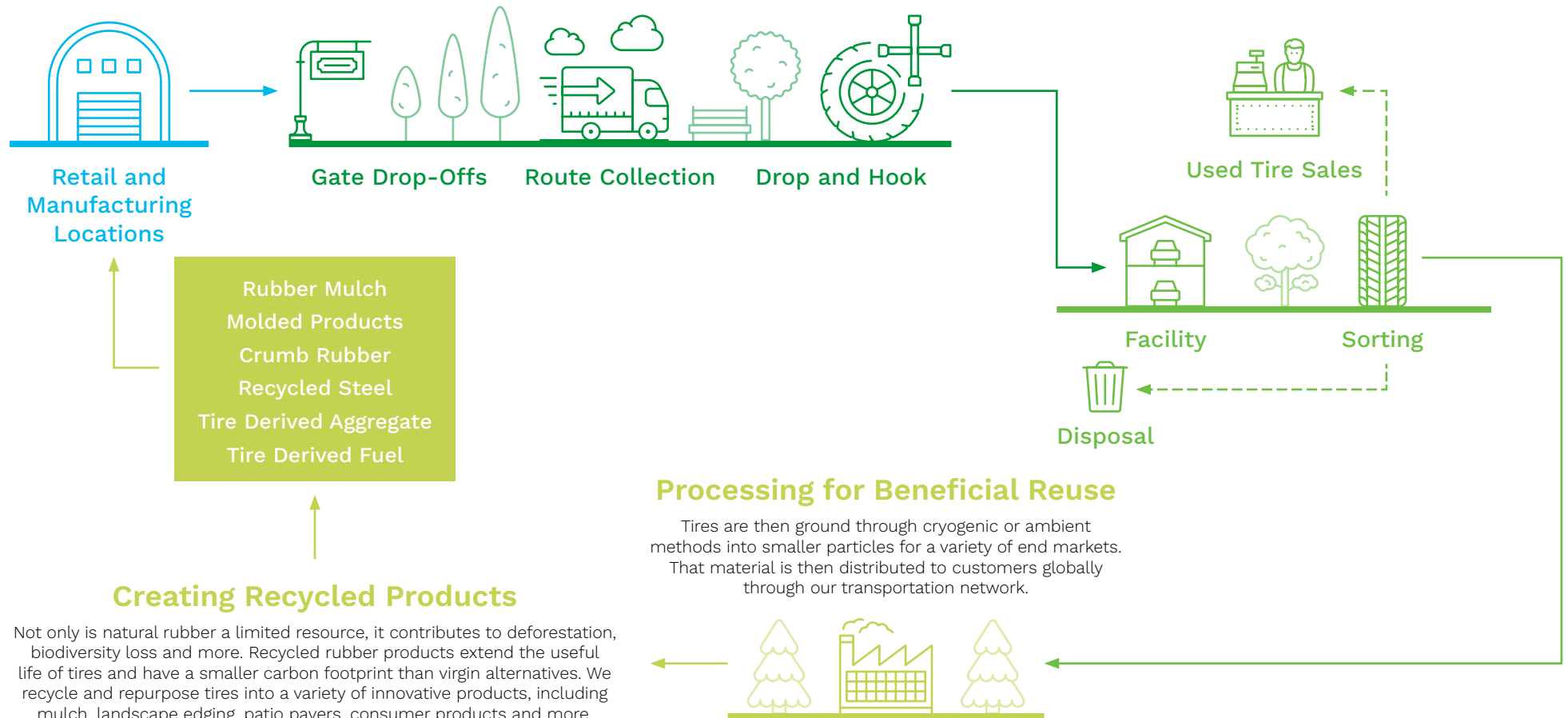
While there is still work to do in the industry to achieve full circularity, many of the products that we manufacture go back on the shelves of our retailers, creating a closed loop for product use.

### Collections

Our fleet of more than 400 vehicles collect tires from more than 36,000 locations annually. In addition, tires may be dropped off at our locations for recycling.

### Sorting

Once tires are received in our facilities, they go through a multi-point inspection. Tires with useful treadlife are segmented and go back into circulation as used tires. Tires that are eligible for recycling move on to our processing lines and those that aren't may be sent to disposal.



Not only is natural rubber a limited resource, it contributes to deforestation, biodiversity loss and more. Recycled rubber products extend the useful life of tires and have a smaller carbon footprint than virgin alternatives. We recycle and repurpose tires into a variety of innovative products, including mulch, landscape edging, patio pavers, consumer products and more.

## Mission, Vision, and Values



### Mission

Liberty Tire is committed to providing world class service and finding new and innovative ways to reclaim, recycle, and reuse end-of-life tires for eco-friendly products—in support of a green circular economy and for the long-term health of our planet.



### Vision

To create a more sustainable and resilient future that respects the environment and protects the health and safety of our people and communities.



### Values

#### Safety

We are committed to sending everyone home safe, every day.

#### People

We are building our business with a diverse, dedicated, and empowered team of people. We value and respect each individual and create opportunities for employee growth.

#### Ethics

We strive to do the right thing. We say what we're going to do and we do what we say.

#### Sustainable Value Creation

We recognize that creating value for our customers drives our success.

#### Teamwork

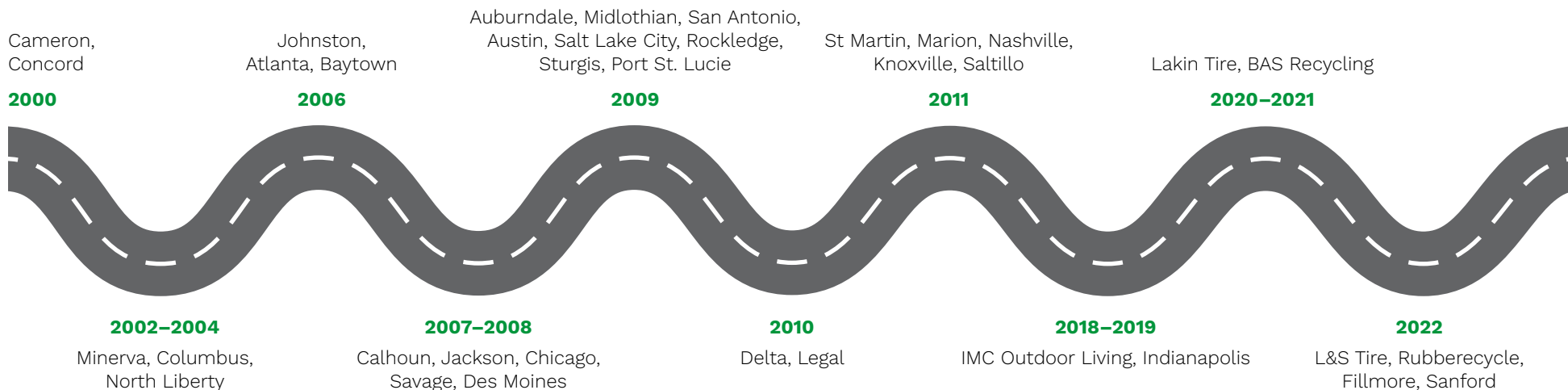
We work together in the best interest of our customers and company.

#### Innovation

We must take the initiative to see and act on opportunities to continually improve the organization.

## The Growth of Liberty Tire

Liberty Tire started in North Carolina in 2000 and over the last two decades, has grown into a dynamic organization with more than 40 collection and processing facilities across North America.



## Industry Associations and Memberships

Liberty Tire actively engages in numerous trade associations and organizations at both national and local levels, reflecting the extensive scope of our business endeavors. We encourage our employees to actively participate in trade associations that hold significance and relevance to our operations.

### National

- |  |   |  |
|--|---|--|
| Recycled Rubber Coalition (RRC)                | Synthetic Turf Council (STC)                | National Asphalt Pavement Association (NAPA)     |
| Tire Industry Association (TIA)                | American Sports Builders Association (ASBA) | Solid Waste Association of North America (SWANA) |
| Tire and Rubber Association of Canada (TRAC)   | American Iron and Steel Institute (AISI)    | National Road Research Alliance (NRRRA)          |
| Institute of Scrap Recycling Industries (ISRI) | Air and Waste Management Association (AWMA) |  |

### Regional

- |   |   |
|---|---|
| Eastern States Blast Furnace and Coke Association | Southeast Recycling Development Council (SERDC) |
|---|---|



## The Liberty Family



**RUBBERECYCLE™**



IMC Outdoor Living, BAS and Western Rubber Products are all DBAs of Liberty Tire Recycling

## The Liberty Brands

Access-A-Mat™

Decktop™

Genesis™

Lasting Beauty®

Playsafer™

SmartMix™

Aquabond™

Equitile™

Groundsmart®

NuPlay®

Rubberbond™

Sportplay™

Burpee®

Geneflex™

Kid-Kushion™

NuScape®

Rubberific®

# OUR APPROACH TO SUSTAINABILITY



## Sustainability at Liberty Tire is woven into our business model of keeping end-of-life tires out of landfills and recycling them into new products.

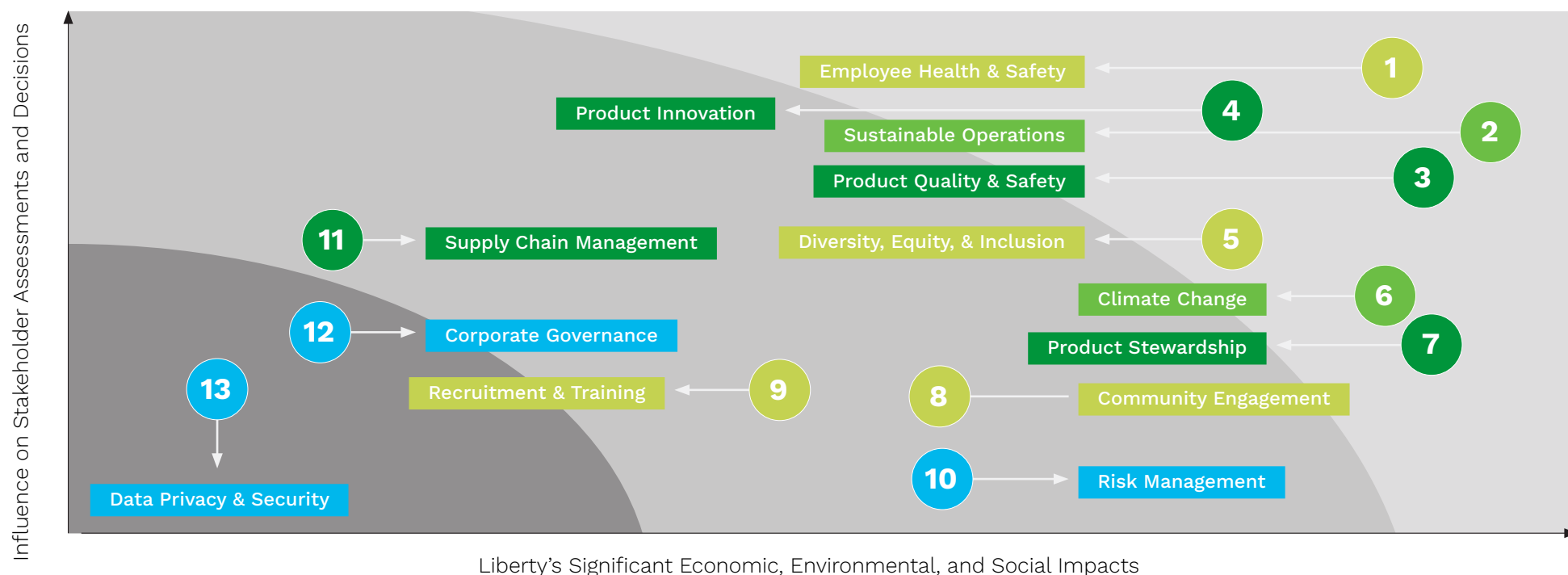
We are the market leader in tire recycling management, annually collecting more than 195 million tires, or 4.3 billion pounds of rubber, and transforming those tires into a variety of recycled products.

When we began our sustainability journey, we assembled an ESG Task Force comprised of nine employees from cross-functional areas led by the Senior Vice President of Sustainability to create our initial ESG roadmap. As our strategy matures and we continue to integrate ESG considerations into our business model, we have shifted the responsibility for driving our ESG priorities to our Senior Management team. The Senior Vice President of Sustainability reports ongoing activity and progress to the Executive Team bi-weekly and to the full Board of

Directors on a quarterly basis. The Board also conducts a comprehensive review of our sustainability performance annually.

In 2021, we conducted our first sustainability materiality assessment. We requested feedback from our internal and external stakeholders, including investors, employees, customers, industry NGO's and business leaders, to identify our most material sustainability topics given our current business operations. The resulting materiality assessment prioritized areas of focus according to the greatest impact on our business and our stakeholders.

This year saw the continued evolution of our sustainability efforts. We adopted a company-wide ESG Policy that formally states our commitment to environmental, social, and governance efforts at Liberty Tire. The policy details our approach and identifies existing policies that are relevant to our environmental, social, and governance material topics.



## ESG at Liberty Tire

	 <b>Advancing Sustainable Products</b>	 <b>Accelerating Environmental Stewardship</b>	 <b>Engaging People &amp; Communities</b>	 <b>Operating Responsibly</b>
<b>Material Topics</b>	<b>Product Quality and Safety</b> <b>Product Innovation</b> <b>Market Acceptance and Product Awareness</b> <b>Supply Chain Management</b> <b>Product Stewardship</b>	<b>Climate Change</b> ▶ GHG Emissions, Air Quality  <b>Sustainable Operations</b> ▶ Energy, Water, Waste	<b>Employee Health and Safety</b> <b>Diversity, Equity, and Inclusion</b> <b>Community Engagement</b> <b>Recruitment, Training, and Development</b>	<b>Risk Management</b> <b>Corporate Governance</b> <b>Data Privacy and Security</b>
	<b>Focus Areas</b>	<ul style="list-style-type: none"> <li>▶ Increase sustainable packaging use</li> <li>▶ Manage supply chain ESG risks</li> <li>▶ Maximize beneficial reuse</li> <li>▶ Produce high quality products</li> </ul>	<ul style="list-style-type: none"> <li>▶ Fuel and fleet efficiency</li> <li>▶ Reduce GHG emissions</li> <li>▶ Improve operational efficiency</li> <li>▶ Promote sustainable operations</li> </ul>	<ul style="list-style-type: none"> <li>▶ Culture of health and safety as #1 priority</li> <li>▶ Healthy workforce</li> <li>▶ Increase community engagement</li> <li>▶ Diverse and inclusive culture</li> <li>▶ Improve talent development</li> </ul>

# OUR APPROACH TO SUSTAINABILITY

At Liberty Tire, sustainability is integrated into our overall business strategy and our day-to-day decision-making.

We understand that our company becomes more financially successful as we become more environmentally sustainable. In support of our sustainability goals, every dollar of free cash flow is reinvested into the business to continue improving our operations, collecting more tires, and moving tire-derived material to its highest and best use.

During 2022, Liberty Tire made substantial improvements to our business by implementing various infrastructure and procedural enhancements, with the goal of moving rubber up the value chain.

- ▶ Process improvements in our Texas locations allowed us to increase the yield of used tires that were eligible for the used tire market. The most sustainable approach is to utilize these tires through their complete lifespan, rather than prematurely initiating the recycling process.
- ▶ The acquisition of Rubberecycle in Lakewood, New Jersey, brought several significant advantages to our overall business. The strategic location allowed us to transport tires, previously destined for West Haven, Connecticut, to a facility much closer to the tire collections, effectively reducing miles driven during transportation. By moving the manufacturing of several Rubberecycle products to our Godfrey, Illinois facility, we successfully eliminated the need for overseas production. This consolidation enabled us to optimize production in Godfrey, eliminate freight movements, and foster the advancement of more material up the value chain in the U.S. market, contributing to improved operational efficiency and sustainability in our business practices.
- ▶ Liberty Tire is committed to advancing its operations. Recently, we implemented automated packaging and palletizing systems in select molded goods and rubber mulch production facilities. These automation initiatives were specifically designed to replace manual and repetitive processes, and resulted in reduced employee injuries, improved production rates, and more packaging uniformity. This uniformity not only minimizes storage and transportation damage but enhances retail product merchandising for our retail partners.
- ▶ Our processing line for the SmartMIX™ asphalt solution was moved from an external location to our Jackson, Georgia facility. This eliminated the need for additional transportation and now enables us to process and produce the product in the same location.

As these examples demonstrate, sustainability is ingrained in our business strategy, and we believe that what is good for the planet and good for our employees is good for our business.



**“ Liberty Tire aspires to have 100% of tires we collect enter end use markets by 2030.”**

Liberty Tire takes pride in our efforts to transform end-of-life tires into usable products, realizing the significant advantages of reducing greenhouse gas emissions and diverting these tires away from landfills.

In 2021, members of the U.S. Tire Manufacturing Association (USTMA) reported a utilization rate of 71% for end-of-life tires, with the balance being sent to landfills. Many factors contribute to the inability to recycle all tires, such as limited markets for recycled products due to geographical constraints, low consumer demand, or a scarcity of applications for the recycled material. Liberty Tire achieved an industry-leading 74.4% utilization rate in 2022.

While we have made great progress thus far, we acknowledge there is much work ahead to achieve our zero waste goal of 100% utilization rate from the end-of-life tires we collect by 2030. Our aim is to ensure that every tire we collect will be reused, repurposed, or recycled, with no tires or tire components ending up in landfills.

While our goals are ambitious, it is noteworthy that, according to the USTMA, only batteries and cardboard are recycled at higher rates than end-of-life tires. End-of-life tires continue to find end uses at a higher rate than glass, plastic, aluminum, metal, and paper.

**Our strategy to reach these zero waste goals can be found throughout this report. Attaining these goals is our highest priority and is the basis of everything we do.**

Liberty Tire has set a more ambitious, longer-term goal that all end-of-life tire material will be utilized in low, or no carbon closed loop applications by the year 2050. At present, a portion of our end-of-life tire material is consumed as tire-derived fuel by our customers. Although tire-derived fuel serves as an alternative to conventional fossil fuels like coal, it is not the highest and best use for those tires. This goal represents a challenge for us to elevate our material up the value chain, aligning with our commitment to sustainability and reducing carbon emissions.

The goals we have set at Liberty Tire are bold and transformative, and achieving them will require the collective efforts of every individual within our organization. As we move forward, there are numerous avenues to explore on our path to success. Our strategy to attain zero waste includes:

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**Developing new markets**

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**Developing new products**

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**Collaborating with industry partners**

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**Piloting innovative products and processes**

## Our Purpose is to Repurpose

To achieve our zero waste goal by 2030, Liberty Tire must not only manage waste throughout our operations but find beneficial reuse for 100% of the tires we collect including the rubber, steel, and fiber. Our focus lies in developing innovative products and fostering partnerships across diverse industries.

At present, our tire recycling efforts enable us to repurpose tires into a wide range of products, including athletic surfaces, pavement applications, as well as landscape mulch and playgrounds. Moreover, tire rubber can be found in outdoor pavers, front door welcome mats, gaskets and hoses, or even transformed back into new tires. From crumb rubber that is used as a raw material in more technical industrial applications to tire derived fuel or rubberized asphalt, we create safe and useful products that drive a greener tomorrow.

### Paving the Way with New Asphalt Technology

In 2022, Liberty Tire participated in an unprecedented project to evaluate the potential to use fibers derived from the tire recycling process in asphalt technology. This project tested a new asphalt technology that incorporates the tire fibers into our proprietary SmartMIX™ product. SmartMIX™ is a dry mix asphalt technology with well-known benefits that include 15% per ton cost reduction, an additional 3 to 5 years on an asphalt pavement's lifecycle, more crack resistant, and easier and less expensive to install.

Liberty Tire teamed up with Michigan Technological University and Ace-Saginaw Paving in St. Clair County, Michigan in September 2022 to test the performance of the addition of the recycled tire fiber to the SmartMIX™ product. The trial proved successful and resulted in the tire fiber and SmartMIX™ combination providing an overall 43% improvement in strengthening and reinforcing the mix against cracking.

**It was the first-of-its-kind project to beneficially reuse the tire fiber that was separated from passenger tire rubber during the granulating and tire recycling process. This project used rubber from 1,715 scrap tires and fiber collected from 2,024 scrap tires.**



43% improvement in strengthening asphalt and reducing cracking  
when tire fiber and SmartMIX™ are combined

## Partnerships

Achieving circularity of tires requires partnerships and collaboration across many industries. Liberty Tire works together with other businesses and organizations to collectively improve the circularity of tires.

Liberty Tire places a high priority on providing excellent service to our customers and helping them create value through our service offerings. In 2022, we successfully completed several initiatives, resulting in a 6% improvement in On Time percentage for our direct-served National customers.



Circular Rubber Technologies is a Canadian Waste to Value company who strives for the infinite reuse of the world's rubber.

Their rubber devulcanization technology converts end-of-life tires into a material suitable for the use in new tires; a tire-to-tire solution. During 2023, the world's first rubber devulcanization facility specifically for end-of-life mining tires will be built in Red Deer, Alberta and Liberty Tire will provide the required feedstock. Through this joint effort, Liberty Tire and Circular Rubber Technologies expect to divert thousands of end-of-life mining tires from being buried at the mining sites and employ state-of-the-art devulcanization recycling processes to transform discarded rubber into valuable resources. This partnership will foster the development of groundbreaking products that exemplify the principles of circular economy and is planned to be the first of many future facilities to serve the fast growing global demand for sustainable rubber products.



“Circular Rubber Technologies is excited to continue to strengthen our partnership with Liberty Tire in the years to come and lead the way in redefining the tire industry by embracing circularity, driving positive change, and leaving a legacy of environmental stewardship.”

MAARTJE VAN DER SANDE - CEO, CIRCULAR RUBBER TECHNOLOGIES

# Teck

## Teck Resources Limited (Teck)

Developing markets for recycled tire products is critical to the circularity goals of the tire manufacturing industry.

In 2022, Liberty Tire partnered with Teck to provide crumb rubber for a trial of rubberized asphalt on roads in North Vancouver, British Columbia, CA.

Using rubberized asphalt has numerous sustainability benefits including diverting end-of-life giant mining truck tires from landfills and the ability to last 3 to 5 years longer than regular asphalt. It also reduces tire tread wear up to 50% compared to other types of asphalt<sup>1</sup> and can be recycled and blended into more asphalt when it is replaced.



*“This innovative pilot to recycle and reuse waste haul truck tires, which can weigh up to 5 metric tonnes and stand over 13 feet tall, aligns with Teck’s sustainability goals to find new ways to reduce waste and keep products in use. Liberty Tire understands the importance of collaborating with other companies to test new products and to finds new uses for recycled tire products.”*

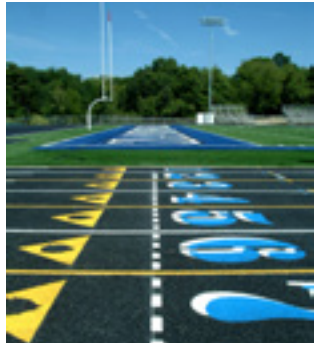
**MARIO TALARICO, SPECIALIST, INVESTMENT RECOVERY AND SUPPLY CHAIN STEWARDSHIP, TECK**

1. [Impact of Asphalt Rubber Friction Course Overlays on Tire Wear Emissions and Air Quality Models for Phoenix, Arizona, Airshed.](#)



## Beneficial Reuse

While Liberty Tire remains committed to continuously developing new products and exploring new markets for materials derived from end-of-life tires, we currently offer a diverse range of sustainable products made from this material.



### Crumb Rubber

- ▶ Compression molding: floor and agricultural mats, weightlifting plates, playground products, traffic devices
- ▶ Sports infill for synthetic turf fields
- ▶ Running tracks
- ▶ Roofing materials



### Rubberized Asphalt

- ▶ Traditional rubberized asphalt (RMA) applications
- ▶ SmartMIX™ dry mix asphalt additive



### Tire-derived Aggregate

- ▶ Drain-fill material
- ▶ Backfill
- ▶ Permeable fill for infrastructure
- ▶ Insulation



### Tire-derived Fuel

- ▶ Industrial and power boilers
- ▶ Paper and steel mills
- ▶ Cement kilns



### Recycled Steel

- ▶ Appliances
- ▶ Vehicles
- ▶ Construction and building materials
- ▶ Bridge and highway construction



### Commercial Products

- ▶ Surfacing – rubber mulch, pavers, tiles, pour-in-place
- ▶ Playground – swing mats, borders
- ▶ Landscaping – rubber mulch, edging, pavers, tree rings, splash blocks

## Product Quality and Safety

The quality and safety of our products are the highest priorities at Liberty Tire.

In addition to corporate in-house Quality Management System (QMS) audits, many of our facilities are also required to go through 3rd party audits to ensure that quality management systems are in place and continuously improved upon. In tandem with these audits, many of our products are held to the highest of standards, those of ASTM International. ASTM International has defined and set standards for performance and safety of products around the world. Our products are also externally certified for compliance with federal, state, and local regulations as well as applicable industry standards bodies such as International Playground Equipment Manufacturers Association (IPEMA). We are committed to providing the highest quality products to our partners.



ASTM International is a globally recognized leader in the development and delivery of voluntary consensus standards. These standards are a means to ensure successful global trading strategies and were developed with the guiding principles of the World Trade Organization in mind.<sup>2</sup>

For more information on ASTM, please visit [www.astm.org](http://www.astm.org)



IPEMA provides a product certification program which validates a participant's product(s) for conformance to certain ASTM standards. In the interest of public safety, IPEMA provides a product certification program for public play equipment and surfacing materials, such as rubber mulch made from our recycled tires.<sup>3</sup>

For more information on IPEMA, please visit [www.ipema.org](http://www.ipema.org)

## Product Stewardship

Liberty Tire is a critical partner within the tire manufacturing industry as it expands its focus into product stewardship including circularity and low carbon energy generation.

Tire manufacturers rely on the work of Liberty Tire to efficiently collect and provide a second life for end-of-life tires. The products that Liberty Tire produces and sells create both open loop and closed loop opportunities towards circularity. Through new market development and industry collaboration, our goal is to continue innovating and working with industry partners to bring all end-of-life tire material into low, or no carbon closed loop applications by 2050.

2. <https://www.astm.org/about/overview/detailed-overview.html>

Product packaging is also an important element of our commitment to reducing raw material use and creating more sustainable solutions. Today, all our rubber mulch sold in retail outlets is packaged in **low-density polyethylene (#4 plastic or LDPE) bags**, which can be recycled with other plastic shopping bags. The ability to recycle our packaging is a key consideration of the lifecycle of our products.

3. <https://www.ipema.org/about-ipema/>



## Super Sack Recycling

As we continue to evaluate all aspects of our operations for more sustainable options, we identified an opportunity to reduce our waste by recycling our super sacks.



Super sacks are large totes, capable of holding 2,200 pounds, that are used to transport tire-derived material between Liberty Tire locations or to a customer.

Historically, super sacks have been cut and sent to the landfill as waste.

In early 2022, Liberty Tire signed an agreement with BestPLUS Lumber, a division of Triumvirate, to remove our supersacks from the waste stream and use them in the manufacture of recycled plastic lumber. In this process, super sacks are compounded, plasticized, and blended and then extruded into molds to create a final product.



**In 2022:** 371,802 pounds of super sack material recycled

Resulted in **177,512 linear feet** of 2x4s or **33.6 miles** of plastic lumber created

*“Triumvirate/BestPLUS and Liberty Tire has been on the cutting edge of recycling with a focus on creating a more sustainable future. Using the strengths of both companies we are closing the loop on sustainability. We’re really excited about the relationship with Liberty Tire and see this path of utilizing waste materials to beneficial reuse as the way of the future.”*

**JOSEPH SADLIER - VP AND GM OF PLASTICS RECYCLING, BESTPLUS PLASTIC LUMBER - A DIVISION OF TRIUMVIRATE ENVIRONMENTAL**

**The Recycled Claim Standard (RCS) is an international, voluntary standard that sets requirements for third-party certification of Recycled input and chain of custody.**

The standard gives the textile industry a tool to verify the raw material content of products through third-party verification and chain of custody. We are proud of our efforts to reduce the use of raw materials, minimize the number of end-of-life tires that end up in landfills, and support the circular economy.

Liberty Tire Recycling is certified to the Recycled Claim Standard (RCS) Version 2.0, which certifies and tracks our processed post-consumer materials from the source to final product. Certified by SCS Global Services (SCS), License number CL27157.



## Reclaiming, recycling, reusing, and repurposing is just the start of our efforts to accelerate environmental stewardship.

Understanding the immediate climate crisis our world faces, reducing greenhouse gas emissions is also one of our top priorities. In 2020 and 2021, we measured our carbon footprint and handprint to better understand our total impact on the environment. Our handprint shows how beneficial the use of recycled products is when compared to the virgin alternatives of these products and how much these products can impact greenhouse gas emissions reductions.

We have identified opportunities to reduce greenhouse gas emissions by implementing software to optimize collection routes and ensure trucks are filled to capacity at the end of each route. This has already resulted in a lowered carbon impact during tire collection. Building on this progress, we are actively working to develop a comprehensive strategy and subsequent initiatives to further decrease our carbon footprint.

In late 2022, in addition to our zero waste goals, we set the two additional goals. We look forward to reporting our progress in our future ESG reports.



### **Reduce Energy Intensity by 25% by 2032<sup>4</sup>**

We will accomplish this goal by identifying opportunities in production efficiencies, compressed air management, peak demand, power factor, and LED lighting upgrades.

### **Improve Fleet Efficiency by 30% by 2032<sup>4</sup>**

We will reach this goal through a variety of initiatives in the areas of alternative fuels, DOT compliance, route optimization, fuel efficiency, idle time reductions, and driver training.

4. Baseline year is 2022

## Supporting Our Partners' Emissions Goals

As a downstream supplier for many large tire retailers' and manufacturers' waste, Liberty Tire is an important part of their sustainability initiatives.

Liberty Tire's operations span the U.S. and Canada, allowing us to support our partners as they pursue their own waste reduction and greenhouse gas emissions goals. We collect end-of-life tires from manufacturers and retailers and use the components to create new products. As part of our commitment to transparency, we maintain detailed data on the number of tires collected from each company and the output of recycled products entering reuse markets. This information is shared with our partners, who trust us to leverage our national footprint to expertly manage their waste stream and deliver valuable data and metrics for their reporting needs.

## Environmental Highlights



## Carbon Emissions

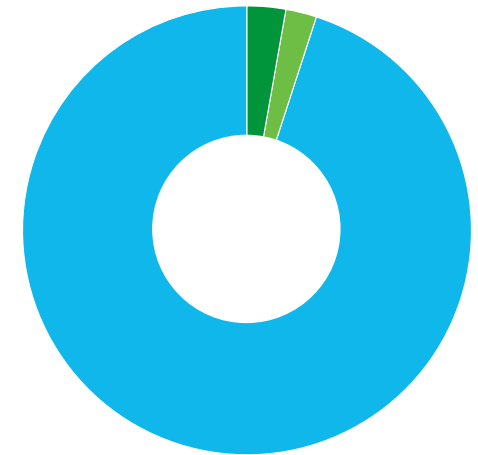
To better understand the baseline from which to measure improvement in our energy efficiency, Liberty Tire calculates our annual carbon footprint and handprint.

In prior years, our carbon footprint has been focused on the total greenhouse gas (GHG) emissions generated from our operations from the moment a truck leaves our facility to collect used tires to the moment we deliver our end product to a customer. In 2022, we calculated additional upstream and downstream emissions from our value chain.

Greenhouse gas emissions are categorized into Scope 1, 2, and 3 emissions. Scope 1 emissions are the greenhouse gases emitted from our truck fleet and from our natural gas usage. Scope 2 emissions are calculated from the electricity purchased to run our facilities. The calculation of our Scope 3 emissions includes purchased goods and services, capital goods, fuel and energy-related activities, upstream transportation, generated waste, downstream product transportation, processing and end-of-life treatment of sold products, and employee business travel and commuting. To more thoroughly and accurately track our Scope 3 emissions, in 2022, we added eight more categories to our Scope 3 data collection. As Liberty Tire continues to grow organically and by acquisition, our Scope 1, 2, and 3 greenhouse gas emissions have increased from 2020 to 2022 due to additional locations, improved integrity of our data and expanded reporting of our Scope 3 emissions.

Category 11 of our Scope 3 emissions (Use of Sold Products) is comprised of the greenhouse gases emitted when our tire-derived fuel (TDF) is combusted by our customers. The cement industry burns scrap tires as fuel in kilns used to make clinker—a primary component of portland cement. The pulp and paper industry uses tire-derived fuel in their boilers which are used to supply energy for making paper. While this value is higher than our other categories, the value would be 9.6% higher if coal was burned instead of the tire-derived fuel. Additionally, emissions associated with mining coal are over 14 times higher than the production of tire-derived fuel from waste tires. The use of TDF also results in lower nitric oxide emissions when compared to many U.S. coals, particularly the high-sulfur coals. Given these factors, tire-derived fuel is a beneficial waste product alternative to mining and burning traditional fossil fuels like coal.

**2022 Value Chain Footprint**  
CO<sub>2</sub>-e (Metric Tons)



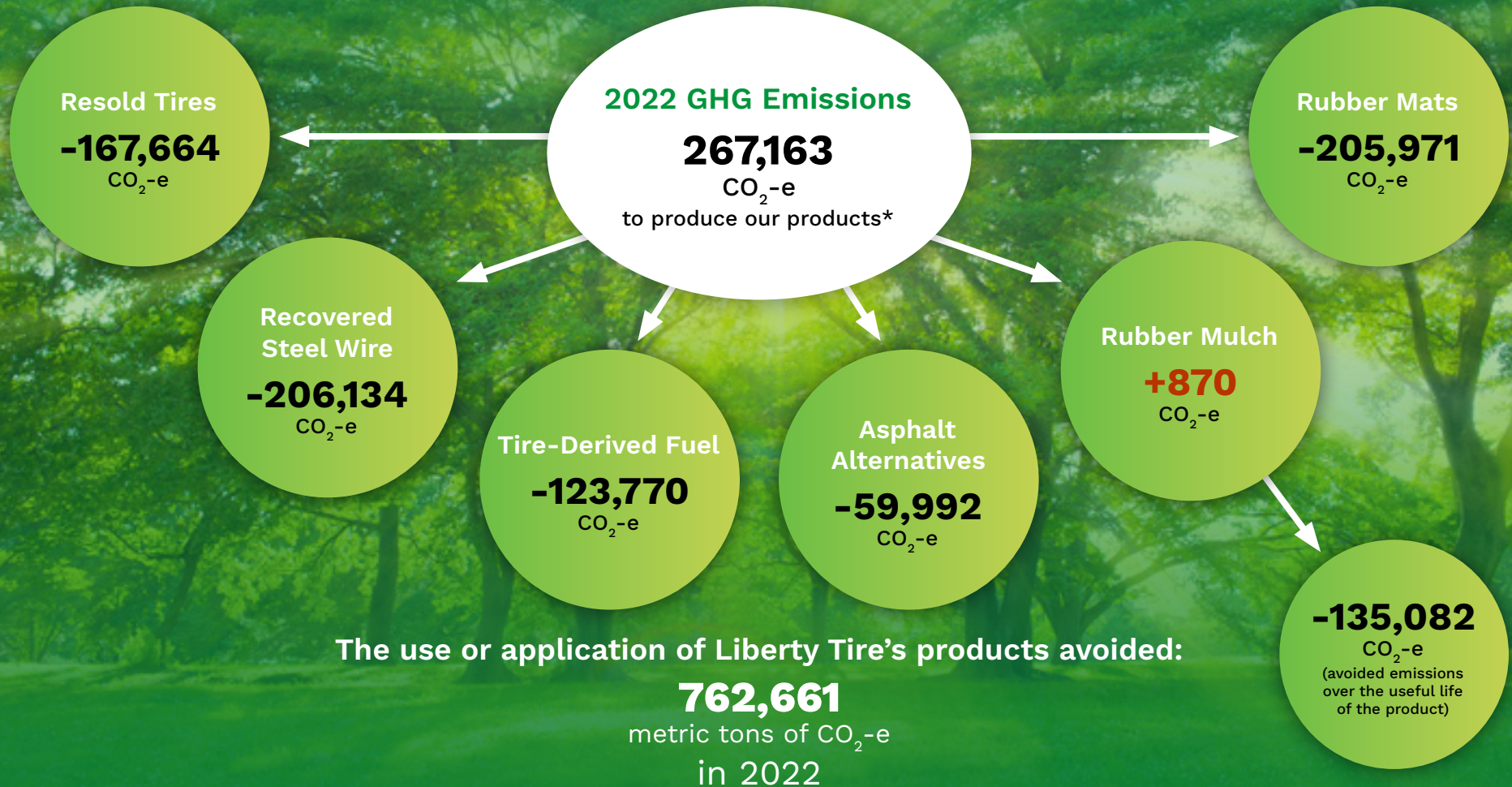
Scope 1	57,060
Scope 2	46,224
Scope 3	1,910,176

Purchased Goods & Services	9.6%
Capital Goods	0.2%
Fuel & Energy-Related Activities	1.4%
Upstream Transportation	1.1%
Waste Generated in Operations	0.6%
Employee Business Travel	0.2%
Employee Commuting	0.4%
Downstream Transportation	4.9%
Processing of Sold Products	16.1%
Use of Sold Products	65.1%
End of Life Treatment of Sold Products	0.4%

Scope	Component	2020 GHG Emissions CO <sub>2</sub> -e (Metric Tons)	2021 GHG Emissions CO <sub>2</sub> -e (Metric Tons)	2022 GHG Emissions CO <sub>2</sub> -e (Metric Tons)
1	<b>Stationary Combustion</b> (Natural Gas Usage)	4,394	2,418	4,093
	<b>Mobile Sources</b> (Truck Fleet)	33,992	40,123	52,967
2	<b>Purchased Electricity</b> (Facilities)	44,387	46,386	46,224
3	<b>Upstream and Downstream Emissions</b>	39,103	49,053	1,910,176
<b>Footnotes</b>		Category 5	Categories 5, 9, 6* (incomplete data set)	Categories 1-7, 9-12

## Handprint

Our Handprint (Scope 4) calculations quantify the avoided or reduced emissions resulting from the use of Liberty Tire's recycled products compared to the manufacture and use of alternatives made with virgin materials. Choosing the products we manufacture from recycled, end-of-life tires results in reduced greenhouse gas emissions for consumers and businesses. **Each category below identifies the amount of emissions avoided by using the recycled products sold by Liberty Tire in 2022.**



Liberty Tire's handprint currently includes 88% of total volume sold  
\* Includes Scope 1, 2 and Scope 3 Categories 3-9



## Environmental Benefits to Using Liberty Tire's Products

	<p><b>Reselling used tires</b></p>	<p>When a consumer replaces one bad tire, they often choose to replace all the tires on the vehicle for consistency, regardless of the condition of the remaining tires. Rather than recycling and processing the tires that are still in good condition, we sell them to customers in the used tire market.  <b>Avoided emissions: 167,664 metric tons of CO<sub>2</sub>-e</b></p>
	<p><b>Replacing fossil fuels with Tire-Derived Fuel (TDF)</b></p>	<p>Due to its high heat output, tire-derived fuel has the ability to replace other fuels in co-fired boilers in pulp and paper mills, cement kilns, and to power electricity plants. This enables these boilers and kilns to use less overall fuel; therefore, avoiding the generation of additional greenhouse gas emissions. Using end-of-life tires instead of traditional fossil fuels reduces greenhouse gas emissions by 20-30% for each ton of coal burned. <b>Avoided emissions: 123,770 metric tons of CO<sub>2</sub>-e</b></p>
	<p><b>Longevity of rubber mulch</b></p>	<p>Liberty Tire's rubber mulch products are used in playground and landscaping applications as an alternative to wood mulch solutions. Although the production of rubber mulch emits 1.7x the greenhouse gases of wood mulch, it lasts approximately 12 years after initial application which is much longer than the annual reapplication of wood mulch that is necessary. <b>Avoided emissions: 134,786 metric tons of CO<sub>2</sub>-e (over 10 yrs)</b></p>
	<p><b>Using rubber for mats vs. virgin materials</b></p>	<p>Liberty Tire's largest molded product segment by annual volume is in flooring and rubber mats for industries like oil and gas, agriculture, commercial building, gyms and even consumer households. For this product line, Liberty Tire prepares tire crumb to be used as feedstock, which is shipped to manufacturers who make the end product. <b>Avoided emissions: 205,971 metric tons of CO<sub>2</sub>-e</b></p>
	<p><b>Improving asphalt products</b></p>	<p>Crumb rubber is added to traditional asphalt mixes to create a better product. Rubberized asphalt adds 3-5 years to an asphalt pavement's lifecycle as well as being more resistant to cracking and easier and less expensive to install. <b>Avoided emissions: 59,992 metric tons of CO<sub>2</sub>-e</b></p>
	<p><b>Recovering steel wire from tires</b></p>	<p>Steel wire is removed from the end-of-life tires after shredding. This recovered wire is remelted in steel furnaces to make sheet and long steel products. As a result of Liberty Tire's recycling efforts, the use of coal, petroleum coke, and other raw materials for the production of steel is reduced. <b>Avoided emissions: 206,134 metric tons of CO<sub>2</sub>-e</b></p>



## Better Plants Program

Liberty Tire proudly participates as a program partner with the U.S. Department of Energy's Better Buildings, Better Plants Program. Our collaboration aligns us with more than 270 companies and industrial organizations nationwide, all committed to setting ambitious goals for energy, water, waste, and carbon reduction.

As part of the Better Plants Program, we are committed to improving the energy efficiency of our U. S. operations by 25% over a 10-year period. There are many benefits to Liberty Tire's participation in this program including technical support to develop energy management plans, engagement with peers at annual events, in-plant trainings, and access to energy-saving resources. By increasing our energy efficiency through this program, we expect to realize cost savings which is supportive of our business strategy.



“*Liberty Tire's commitment to improving its energy productivity by 25% over 10 years establishes the company as a leader in efficiency and helps strengthen the nation's manufacturing competitiveness.*”

**BECCA JONES-ALBERTUS – ACTING DIRECTOR, ADVANCED MANUFACTURING OFFICE, U.S. DEPARTMENT OF ENERGY**

## Alternative Fuels

Liberty Tire is always looking for opportunities to improve fuel efficiency and maximize carbon reduction of our fleet of vehicles.

In 2022, our Delta, British Columbia facility took the pioneering step of testing the first EV Peterbilt 579 on the open road in Canada. While the vehicle showcased numerous benefits, including zero emissions, swift acceleration, and safety features like enhanced comfort, minimal noise, and shock-free operation, its range and usage time before requiring a charge made it unviable for our travel distances. We eagerly anticipate adopting electric vehicles once technology evolves to meet our business needs.

Until then, we remain committed to route optimization and continuously exploring emerging technologies as they become feasible alternatives.



## ADAPT **Using Technology to Improve Fleet Efficiency**

Liberty Tire partners with ADAPT to realize decarbonization strategy.

Liberty Tire entered a partnership with Silicon Valley's ADAPT to realize our sustainability objectives by accurately and automatically tracking, analyzing, and reporting greenhouse gas emissions from our vehicle fleet.

Facing challenges such as diverse vehicle fleets, non-standardized telematics services, and the need to convert raw mobility data into standardized greenhouse gas reporting, Liberty Tire turned to ADAPT's comprehensive and robust transportation intelligence solution. ADAPT's platform ingests and analyzes disparate telematics data for automating accurate greenhouse gas reporting. This information is used both internally and externally to direct business strategies and to ensure reporting compliance. For example, ADAPT's 'Hotspot' function provides insights on reducing emissions while saving operational cost, supporting Liberty Tire's sustainability objectives. This comprehensive approach to emissions tracking sets the foundation for Liberty Tire to set realistic decarbonization goals and effectively monitor our progress.



*“We are excited that Liberty Tire has selected ADAPT to empower its organization and to understand and mitigate the impact of transportation emissions on its business, customers, and stakeholders. We look forward to expanding our relationship and to grow Liberty Tire's leadership in this important area.”*

**DINESH C, CEO OF ADAPT**



## Water Management

Liberty Tire is exploring creative ways to conserve water usage at our facilities.

Our water conservation measures are specifically tailored to suit the distinct operations of each of our facilities. At some locations where it is feasible, rain and snow runoff is collected and stored to be used onsite for our shredding operation and firefighting spray systems. At another facility, we recycle our captured water. We have a gutter system around our grading and shredding areas to capture water from tires that are collected and water coming out of our shredders. We use sump pumps to collect the water in 100-gallon containers which we run through filters and extract uncontaminated water (approximately 50%). We then use the clean water for spraying and cooling our shredder blades. Depending on the season, this can range from 100+ gallons in our drier seasons to as much as 400 gallons per day.

We understand the importance of having a comprehensive understanding of our water usage so that we can identify areas for improvement. In 2023, Liberty Tire will initiate a water use inventory and evaluate the water management systems at all of our facilities for areas of opportunity.

# ENGAGING PEOPLE AND COMMUNITIES

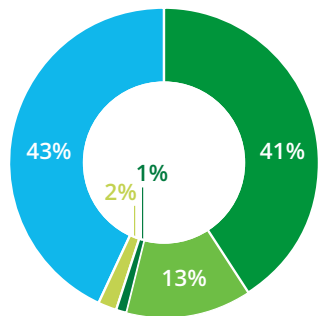
Creating a culture that encourages diversity and values our employees starts with our hiring process, continues with supporting our employees and their families with our benefits offering, and continually encourages their career development through our extensive Liberty Learning training program.

As a result of the respect and support given to our employees, Liberty Tire has become an employer of choice in our local markets and throughout the tire recycling industry.

## Workforce Demographics

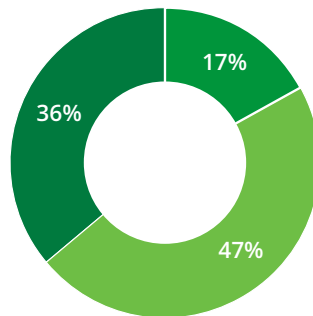
Our employees are the heart and soul of our company and we are committed to supporting them throughout the hiring process and their career at Liberty Tire. Ensuring we are an inclusive and diverse employer is one way we support the communities in which we operate. In 2022, 56% of our total workforce identified as an ethnic minority and 12% were female, up from 10% in 2021. We understand diversity at all levels of an organization is important to a company's success and we are continually striving to increase the racial and gender diversity of our team. At present, 18% of our executive leadership is diverse, however, we have no gender or racial diversity on our Board of Directors. This is an area of opportunity for Liberty Tire to explore in upcoming years.

### Race/Ethnicity



- Hispanic
- Black or African American
- American Indian
- Two or more Races
- White

### Age



- Under 30
- 30-50
- Over 50



### Gender Diversity

	Mgmt.	Plant Mgmt.	Non-Management	Total
<b>Racial/Ethnic Minority</b>	20	173	1,548	<b>1,741</b>
<b>White</b>	128	229	1,001	<b>1,358</b>

	Female Employees	Total Employees	% of Total
<b>Corporate/Regional Management</b>	32	148	22%
<b>Plant Management</b>	64	402	16%
<b>Non-Management</b>	283	2,549	11%
	<b>379</b>	<b>3,099</b>	<b>12%</b>

Liberty Tire does not currently collect diversity data for our Canadian operations. This accounts for 189 employees that are not included in the data counts provided.

## Diversity, Equity, and Inclusion

Liberty Tire is committed to fostering, cultivating, and preserving a culture of diversity, equity, and inclusion.

Our human capital is our most valuable asset and we embrace and encourage our employees' differences. Our diversity initiatives focus on the ongoing development of a work environment built on the premise of Diversity, Equity, and Inclusion (DEI) that encourages and enforces:

- ▶ Respectful communication and cooperation between all employees.
- ▶ Inclusive teamwork and employee participation, permitting the representation of all groups and employee perspectives.
- ▶ Employer and employee contributions to the diverse communities we serve.



These pillars of our company foundation were formalized in a Diversity, Equity, and Inclusion policy in 2022.

With the advantage of a highly diverse employee population, Liberty Tire emphasizes offering communication options for its many Spanish speaking employees. Employee support in Spanish ranges from Benefits Representatives and summary materials, employee training materials, employee policies and procedures, employee communication postings, and bilingual site resources. Through its support of all employees, whether English or Spanish speaking, Liberty Tire is dedicated to building an inclusive, collaborative, and informed workplace.

In addition to conducting company-wide DEI training in 2022, Liberty Tire focused our efforts on our St. Louis and Godfrey IMC Outdoor Living facilities. We worked with community groups to offer interviews to all applicants that were interested in working with our organization as well as sponsored and participated in networking events and job fairs.

- ▶ **Saint Louis University Transformative Academy** assists individuals coming out of prison or have a criminal record with finding gainful employment. IMC Outdoor Living has been a sponsor of the last three Second Chance Job Fairs.
- ▶ **Urban League Save Our Sons program** seeks to help economically disadvantaged African American men living in the St. Louis region find jobs and earn livable wages. All individuals that participate in the program complete job training and are assisted with obtaining post-secondary education and life skills training to be successful employees. IMC Outdoor Living has partnered with the Urban League to assist with job training initiatives and to offer interviews.
- ▶ **Goodwill of Alton and St. Louis Workforce Center** provides individuals the opportunity to build essential work skills and provides resources to obtain gainful employment. IMC Outdoor Living has partnered with Goodwill to assist with job training initiatives as well as to offer interviews.
- ▶ **Honest Jobs** is the leading national job marketplace for people affected by the criminal justice system. IMC Outdoor Living has been certified through Honest Jobs as a Fair Chance Employer by demonstrating our commitment to hiring individuals with criminal records.
- ▶ **VETwork** provides opportunities for veterans and employers to meet in informal environments to build relationships and gain resources for employment. IMC Outdoor Living has participated in several of their monthly events.
- ▶ **Diversity Job Fair** is held quarterly in North County St. Louis to provide qualified and diverse job seekers the opportunity to meet with employers. IMC Outdoor Living is a platinum sponsor of the event.



## BENEFITS

Attracting and retaining the best employees is critical to a company's success.

Liberty Tire offers a comprehensive suite of employee benefits to support employees and their families' physical and mental well-being and financial health. Company paid benefits include:

- ▶ Life Insurance
- ▶ Accidental Death and Dismemberment (AD&D) Insurance
- ▶ Long Term Disability Insurance
- ▶ Employee Assistance Program

Benefits that are cost shared between Liberty Tire and employees include:

- ▶ Choice of 3 Medical Plans
- ▶ Welldyne Rx Program helped employees take advantage of manufacturer rebate programs
- ▶ Choice of 2 Dental Plans

Other voluntary benefits:

- ▶ Vision Insurance
- ▶ Voluntary Life and AD&D Insurance for Employee, Spouse, and Child/ren
- ▶ Accident Insurance
- ▶ Critical Illness Insurance
- ▶ Hospital Insurance
- ▶ 401K with employer match



In early 2022, Liberty Tire participated in the 2022 Top Workplace Program sponsored by the Pittsburgh Post Gazette. Surveys were conducted anonymously by an independent research company, and **Liberty Tire was a Top Workplace Winner**. Winners were selected based upon excellence in categories such as company leadership, career opportunities, health and wellness, and compensation and benefits.



## Recruiting Veterans

Liberty Tire Recycling salutes all who provide sacrificial service to our nation and proudly unlocks opportunities to propel our veterans and their spouses to career success in the private sector.

To increase opportunities for veterans, we partner with **Performance Service Group, LLC**, a veteran recruiting group, to recruit exiting members of the armed forces for current positions. The specialized training given to members of the armed forces during active duty make many exiting servicemen and servicewomen exceptional candidates in key areas such as logistics, maintenance, safety, and management roles within Liberty Tire's operations.

**Today, Liberty Tire employs 137 self-reported veterans.**

This past year we at Liberty did more than mention November 11th was Veterans Day in the United States and Remembrance Day in Canada at our facilities, we recognized and honored veterans at each of our sites. Veterans from all branches of service were celebrated with an appreciation meal for their site, a custom veteran jacket, a paid day off, a gift card for their spouse or partner and a letter from our CEO. We are proud of our veterans for their courage, sacrifice, dedication and hard work, both during their time of service, and their time with Liberty. We are forever grateful for their sacrifice.



## Second Chance Program

Liberty Tire strongly believes in the value of giving people a second chance.

Liberty Tire participates in Second Chance Recruiting, extending job opportunities to individuals recently released from prison. This initiative reflects our commitment to offering a chance for stable employment to those seeking a fresh start. In return, we find motivated and dedicated employees, who help us foster a workplace culture that values care and compassion. Liberty Tire is proud to have **184 Second Chance employees** who contribute to our collective success and growth.

At the Liberty Tire plant in Baytown, Texas, manager Billy Emerton is building people through the Second Chance recruiting program.

Having served as a former Lieutenant in the Texas correctional system, Billy deeply understands the significance of offering a second chance to individuals recently released from prison. He empathizes with the unique challenges and emotions they encounter, dedicating himself to helping them thrive as employees at Liberty Tire.

Beyond being a manager, Billy is a mentor to his employees, providing guidance and encouragement along their journey as they build their new lives. His efforts have proven impactful, as many of our Second Chance hires have progressed into increased levels of responsibility in their roles at Liberty Tire, including leadership positions at the Baytown facility. Billy's commitment exemplifies the positive and transformative impact of the Second Chance program, reflecting the core values and culture of compassion fostered within our company.

Liberty Tire participates in Second Chance Recruiting, extending job opportunities to individuals recently released from prison. This initiative reflects our commitment to offering a chance for stable employment to those seeking a fresh start. In return, we find motivated and dedicated employees, who help us foster a workplace culture that values care and compassion.

A one-time mistake does not have to mean a lifetime of missed professional opportunities! Liberty Tire Recycling believes in unlocking excellence and opportunities for all to have new beginnings.



“

*I build people and people build the company.”*

**BILLY EMERTON, PRODUCTION MANAGER**



## Employee Training

Liberty Tire is committed to developing our employees by providing them with the skills and knowledge necessary to perform their jobs at the highest level and in the safest manner.

In 2022, we launched Liberty Learning, a comprehensive learning management system designed to handle the administration, documentation, tracking, reporting, and delivery of our training courses. This platform offers a range of safety, human resources, and legal coursework in both English and Spanish, catering to new employee orientation and fostering ongoing skill development, certifications and recertification for experienced staff as required. New Hire Orientation consists of classroom and practical walk around, educating on workplace hazards, personal protective equipment (PPE), equipment safety, Safety data Sheets, Hazard Assessments and more. Liberty Learning was initially piloted at eight sites in 2022 and is set to be implemented company-wide in 2024.



## 2022 Training Hours:

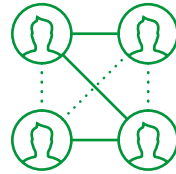
**~47 hours** per employee

**155,000 hours** across the company



## Health and Safety

Our top priority is the safety of our people and we maintain this focus through:



Teamwork



Culture of Honesty



Respectful Communication

We continuously prioritize safety through active and open engagement with our employees, focusing on zero injuries and zero fires, and utilizing an aggressive injury case management approach to safety. Monthly Safety Committees are organized at the site level and include managers and employees with meeting minutes and actions assigned. All Safety Committees are empowered with decision making authority and Committees represent all employees.

### Daily practices reinforce the importance of safety with our employees:

- ▶ Daily safety text to all employees from our CEO
- ▶ 5-minute Safety Talk Huddle at the start of every shift
- ▶ Safety Observation and Near Miss programs to identify areas of opportunity
- ▶ SmartDrive units installed in 291 trucks to reduce idle time, improve driver performance, and identify high risk behaviors



# ENGAGING PEOPLE AND COMMUNITIES

The prioritization of our employees' safety has resulted in a 58% decrease in annual OSHA recordables and 85% decrease in Lost Time injuries since 2010.

In 2022, 18 locations had zero OSHA Recordables or Lost Time Injuries. The extraordinary effort of our safety team has resulted in these continued improvements in safety measures and allowed us to significantly reduce our workman's compensation reserves.

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Recordable Incident Rate (TRIR)	8.18	6.64	5.47	4.21	3.11	4.49	3.84	3.84	2.92	2.88	2.37	3.04	3.24
Loss Time Rate (LTR)	4.09	2.56	1.52	1.04	1.41	1.37	1.00	0.89	0.68	0.51	0.59	0.72	0.49
Preventable Vehicle Accident Rate (PVAR)									3.83	4.29	1.19	0.79	1.12

TRIR and LTR are based upon 200,000 hours worked.



## Transportation and Fleet Safety

Safety is a top priority at Liberty Tire, including the safety of our drivers.

Over the past several years, our transportation team has been dedicated to implementing best practices to lay a strong foundation for improving safety and compliance. To ensure compliance with all DOT regulations, we have established robust monitoring systems, including driver training programs, conducting thorough pre-screening of drivers, equipping our fleet with tools to enhance overall fleet compliance, and most recently, monitoring our transportation suppliers. These ongoing efforts reflect our commitment to prioritizing safety in all aspects of our fleet operations.



In 2022, Liberty Tire sent four employees to Smith System Train the Trainer program. Smith System stands as the trusted global leader in crash-avoidance driver safety training, annually training tens of thousands of drivers, including those from over half of the Fortune 500 fleets. Having completed over 160 hours of both classroom and behind the wheel training, we now have four Smith System Certified Trainers. These trainers have already certified 13 drivers in our Carolinas region, with further training anticipated in the near future.

We have partnered with Samba Safety, helping us identify at-risk drivers by continuously monitoring their Motor Vehicle Reports. Additionally, as part of our pre-hire process, we have adopted the Department of Transportation's Pre-Employment Screening Program (PSP). This program grants us secure electronic access to a commercial driver's five-year crash and three-year inspection history from the federal motor carrier information system. By utilizing these advanced systems, we ensure more informed decisions in driver hiring and risk management.

We launched an in-house fleet management system that streamlines our record-keeping processes, allowing for easier monitoring and maintenance tracking, thereby ensuring that our fleet operations remain in full compliance with regulations and industry standards. The implementation of this innovative system marks another significant step in our ongoing commitment to safety, efficiency, and responsible fleet management.

Liberty has implemented a robust carrier compliance process, combining both DAT CarrierWatch and an in-house monitoring system. This process allows us to monitor key aspects of more than 200 carriers, including insurance status, safety ratings, DOT scores, and various other essential metrics. With these monitoring capabilities in place, we can strive to engage with the safest carriers.

## Community Outreach

Employees at each Liberty Tire location work to enhance the communities in which they live and work. Participating in community outreach efforts provides Liberty Tire employees the opportunity to volunteer and give back.



### Holiday Giving Back Program

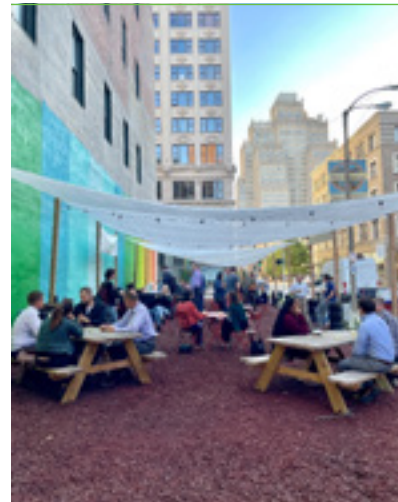
Each December, every Liberty Tire location actively participates in the Holiday Giving Back program, extending support to a family in need within their local community. For the 2022 holiday season, each location provided a \$250 gift certificate for a festive meal for their chosen family. Additionally, each location had the opportunity to accept employee donations and additional gifts such as clothing, toys, or other items to brighten the holiday season for these families. This heartwarming initiative reflects our company's deep commitment to giving back and making a positive impact in the communities we serve.

**Through our employees' efforts, the Liberty Tire family raised more than \$55,000 in donations to support families in need during the 2022 holiday season.**



### Outdoor Classroom

IMC Outdoor Living, a division of Liberty Tire, **donated 6,000 pounds of rubber mulch to Grayhawk Elementary School in Scottsdale, AZ.** The school has created a state-of-the-art outdoor classroom space and the mulch will be used in the agriculture lab section of the classroom.



### Revitalizing Vacant Lots

Pocketparks is an organization that takes unused vacant land and reimagines and redevelops them into active and beautiful recreation areas. In 2022, IMC Outdoor Living supported this vision by **donating nine pallets or approximately 15,000 pounds of rubber mulch.** Additionally, our employees volunteered their time to help make this project a reality at DUC Park in St. Louis, MO.



## Methodist Home for Children

Liberty Tire conducted a Community Service Survey entitled “Volunteering is a Work of Heart” where our employees were encouraged to share the various ways in which they contribute to their communities through volunteer efforts. The inspiring responses provided direction for our \$25,000 donation to the Methodist Home for Children, a charity in Raleigh, NC which provides children and families the hope and skills needed to build healthy, self-sufficient, and productive lives. Due to abuse and neglect, there are over 407,000 children in foster care across the United States. This donation was matched by our ownership group, ECP, and was made on Pay It Forward Giving Day, so this deserving organization received a **total donation of \$100,000!** We are proud to support the efforts of the Methodist Home for Children as they partner with public agencies to provide the best in evidence-based services for children and families.

In addition to our own volunteer and philanthropic efforts, Liberty Tire supports our customers in their charitable endeavors. In 2022, we contributed to our customers’ efforts to benefit many organizations including:

Conestee Foundation

St. Joseph’s Mission

Ten at the Top

Family Scholar House

Center for Developmental Services

Habitat for Humanity Anderson

Louisville Urban League

Mad Anthony’s Children’s Hope House

Stanly Health Foundation

Tuscaloosa SAFE Center

Take Stock in Children Palm Beach County

The United Way



To keep our promises to our workforce and the community at large, we choose to operate in a responsible manner.

We strive to do our work ethically and with integrity not only because it is the right thing to do, but also because it mitigates risks for our employees and customers while fostering organizational resiliency.

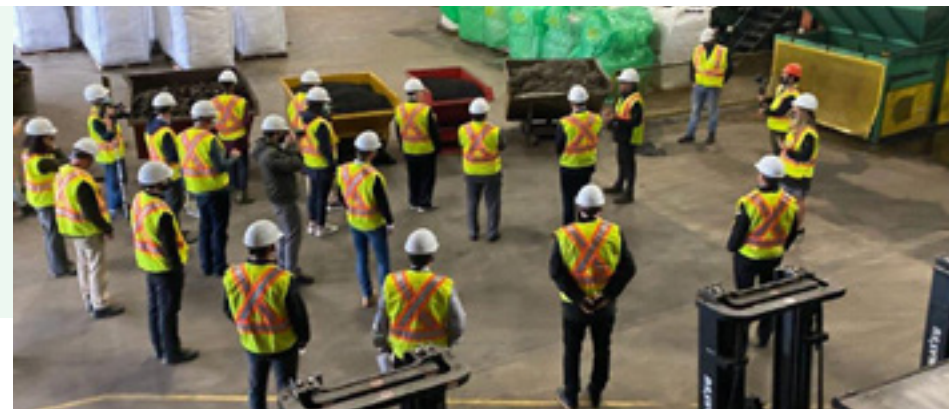
## Business Ethics

Liberty Tire believes that conducting our business ethically contributes to greater business performance and builds trust with our employees and our customers.

Recycling of tires is a highly regulated industry, and we take those commitments very seriously. Liberty Tire works with numerous regulatory authorities across the U.S. and Canada to ensure our business practices meet applicable local, state, provincial and federal regulations. In addition, suppliers are expected to adhere to Liberty Tire's Supplier Code of Conduct, which is distributed annually.

To uphold our core values and conduct business with integrity, Liberty Tire follows a comprehensive company-wide Code of Conduct. This essential document communicates our philosophy and commitment to employees, customers, stakeholders, and communities. As part of our commitment to ethical practices, applicable employees and Board members are required to undergo Code of Conduct, Antitrust, and other appropriate legal training annually, reinforcing the importance of conducting business under all ethical and legal guidelines.

- ▶ Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships
- ▶ Full, fair, accurate, timely, and understandable disclosures to regulatory agencies and in our other public communications
- ▶ Compliance with applicable laws, rules, and regulations
- ▶ The prompt internal reporting of violations
- ▶ Accountability for adherence



In case of any violations of ethical standards, including conflicts of interest, Liberty Tire provides multiple avenues for its employees, vendors and customers to report concerns. This includes a Compliance Hotline or the option to speak directly to a supervisor or business point of contact. We are dedicated to fostering an environment where employees feel safe and encouraged to report any issues, and we assure them that there will be no retaliation for raising legitimate concerns.

Liberty Tire maintains an Employee Handbook to reinforce the Code of Conduct and further explain internal policies. The Employee Handbook provides general information and guidelines on protocols including:

- ▶ Equal Opportunity Employer Policy
- ▶ Employment Practices and Procedures
- ▶ Employee Conduct
- ▶ Use of Facilities
- ▶ Leave Policy
- ▶ Benefits
- ▶ Pay Practices
- ▶ Safety and Security
- ▶ Termination of Employment
- ▶ Conflicts of Interest

These guidelines above are in addition to rules and procedures negotiated through collective bargaining agreements with our unionized employees, making up 14.8% of our workforce.

## Cyber Security

Liberty Tire acknowledges the paramount importance of safeguarding data privacy and security to prevent any potential breaches or threats.

For enhanced protection, Liberty Tire has implemented a robust cyber security program that encompasses an Incident Response Policy and Procedures. In the event of a breach or data compromise, prompt and appropriate actions are taken to mitigate the threat and ensure business continuity.

To proactively assess our data security and privacy measures, we regularly conduct both internal and external vulnerability scans. These scans help identify and address potential vulnerabilities, such as phishing risks. Quarterly phishing exercises are conducted for employees, alongside data security webinars, to fortify their awareness and response to phishing attempts.

Metrics for vulnerability scans and phishing exercises are tracked, maintained on a quarterly basis, and shared with management when appropriate. In 2022, three phishing tests were performed, and cybersecurity training was conducted company-wide covering almost 1,000 employees. The percentage of employees responding to the phishing emails remains below industry averages.



## Focus Areas for the Future

Liberty Tire is proud of what we have accomplished on our ESG journey to date, but we understand that we can always further reduce our carbon footprint, make a greater impact on our employees and communities, and contribute to the circularity of tires.

As we strive to set the bar higher for ourselves and our industry, Liberty Tire has identified the following goals and targets for the future.



### Climate Change

- ▶ Reduce energy intensity by 25% by 2032<sup>5</sup> by focusing on decarbonization through production efficiency measures, compressed air management, and optimization of power factor and peak demand across our manufacturing sites
- ▶ Improve fleet efficiency by 30% by 2032<sup>5</sup> by focusing on alternative fuels, route optimization, fuel efficiency, and idle time reduction
- ▶ Transition facilities to energy-efficient lighting by replacing all lighting with LED bulbs and compatible fixtures
- ▶ Consider renewable energy sources where applicable throughout the business
- ▶ Target opportunities to work with our suppliers to reduce emissions in the supply chain

### Sustainable Operations

- ▶ Increase the number of tires going to beneficial end use products year-over-year
- ▶ Establish office and plant recycling programs at all locations
- ▶ Inventory the usage of hazardous chemicals across sites annually and replace with non-toxic alternatives where possible
- ▶ Continue programs to implement handheld devices for route deliveries to improve efficiency and reduce overall paper usage
- ▶ Conduct a water use inventory assessment

5. Baseline year is 2022

### Product Quality and Safety

- ▶ Strive to have zero workplace injuries, accidents, and fires
- ▶ Continue to prioritize safety efforts and implement new strategies to improve employee health and safety across the organization
- ▶ Increase the amount of post-consumer recycled content in all our packaging and reduce the size of corrugated packing
- ▶ Continuously strive for service level improvements to the satisfaction of all our customers
- ▶ Begin proactive measures with our supply chain to encourage sustainable business practices

### Diversity, Equity, and Inclusion

- ▶ Target recruiting efforts that will increase the diversity of Liberty Tire's workplace
- ▶ Expand employee engagement in volunteer efforts
- ▶ Raise awareness and engagement in DEI efforts throughout the company

### Product Innovation

- ▶ Continue to innovate and produce products with a smaller carbon footprint than a non-recycled alternative
- ▶ Prioritize value chain collaboration on end-of-life tire management
- ▶ Support emerging technologies to improve circularity of end-of-life tire products

Liberty Tire’s work aligns with the 17 United Nations Sustainable Development Goals which were adopted in 2015 as a movement to end poverty, protect the planet, and ensure all people experience peace and prosperity by 2030.

Specifically, we have identified four of the goals that our work impacts and have detailed those relationships below.

**7 AFFORDABLE AND CLEAN ENERGY**

**Providing an Alternative to Fossil Fuels**

- ▶ Increased utilization of tire-derived fuel reduces the amount of fossil fuel being used

**11 SUSTAINABLE CITIES AND COMMUNITIES**

**Responsibly Managing End-of-Life Tires**

- ▶ Reduce pressure on communities to site, build, and maintain landfills by diverting end-of-life tires
- ▶ Remediate illegal tire dump and disposal sites within communities
- ▶ As tires are necessary for all aspects of transportation of goods and humans within a society, Liberty Tire provides a solution to reclaim, recycle, and reuse end-of-life tires.

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**

**Environmental Stewardship Throughout the Life Cycle of a Tire**

- ▶ Reduce waste generation from end-of-life tires
- ▶ Create useful products from end-of-life tires
- ▶ Natural rubber, a renewable natural resource, comprises 19% of passenger vehicle tires and 34% of truck tires.<sup>6</sup> Tire manufacturers are working with farmers around the globe to promote the responsible cultivation of rubber.

**13 CLIMATE ACTION**

**Avoiding Greenhouse Gas Emissions**

- ▶ Reduce number of end-of-life tires that would otherwise go to landfill
- ▶ Creating beneficial products from end-of-life tires avoids greater CO<sub>2</sub> emissions than products produced by virgin alternatives

6. <https://www.ustires.org/whats-tire-0>

## Statement of Use

Liberty Tire has reported the information cited in this GRI content index for the period January 1, 2022 to December 31, 2022 with reference to the GRI Standards.

### GRI 1: Foundation 2021

### GRI 2: General Disclosures 2021

Disclosure	Location	Data
2-1 Organizational details	Company Overview (p. 4-9)	
2-2 Entities included in the organization's sustainability reporting	Company Overview (p. 9)	Liberty Tire Recycling, LLC ("Liberty Tire") is privately held and financial reporting is not publicly disclosed. All company entities and subsidiaries are included in this report and any acquisitions made in 2022 have been incorporated for the time period under Liberty Tire ownership.
2-3 Reporting period, frequency and contact point		Liberty Tire publishes an annual ESG report. This reporting period includes January 1, 2022 to December 31, 2022. Amy Brackin, Senior Vice President of Sustainability, is the contact person for this report. Omission Statement: Liberty Tire Recycling is privately held and financial reporting is not publicly disclosed. Reason for Omission: Confidentiality constraints
2-4 Restatements of information		There are no restatements of information in this report.
2-5 External assurance		External assurance was not sought for this report.
2-6 Activities, value chain and other business relationships	Company Overview (p. 4-9) Advancing Sustainable Products (p.14-20) <a href="https://libertytire.com/About/News/New-Rubberized-Mulch-Facility-in-Sanford-Brings-Manufacturing-Jobs-to-North-Carolina/">https://libertytire.com/About/News/New-Rubberized-Mulch-Facility-in-Sanford-Brings-Manufacturing-Jobs-to-North-Carolina/</a>	New locations added through acquisition and asset purchase in 2022 include - Lakewood, NJ - Spokane, WA - Lakewood, WA - Fillmore, UT In addition, Liberty Tire completed construction of a new processing and manufacturing location in Sanford, NC.
2-7 Employees	2022 Highlights (p. 3) Engaging People and Communities (p. 30)	Employee numbers are collected through reporting in our employee data collection system (ADP). Headcount is the methodology used to determine total employee number data and the timeframe used for employee data is end of calendar year. Employee headcount data is based upon active employees at end of calendar year. Omission Statement: Data for temporary employees is not available nor were there any significant fluctuations in employee numbers in 2022. Reason for Omission: Information unavailable/incomplete

2-9 Governance structure and composition	Our Approach to Sustainability (p. 10-12), Engaging People and Communities (p. 30)	Liberty Tire and its various entities are governed by Delaware corporate and partnership code. We are governed by a six person Board of Directors and General Partner level, with the CEO being one of the Board Members. All current Board Members were assigned in 2021 and have remained in place in 2022. We have a Board-level Audit Committee that reviews the yearly audit and other significant financial matters. Authority for day-to-day oversight is delegated to the officers and senior management of the Company, who update the Board on a regular basis. Risk Management is ultimately overseen by our Board of Directors but is led day-to-day by our General Counsel and Corporate Secretary, who reports to the CEO and the Board. The Corporate Secretary updates the Board on our risk management efforts at least quarterly and more often when circumstances require. We have recently hired a Director of Insurance and Enterprise Risk Management, who reports to the General Counsel and Corporate Secretary, to supplement and take our risk management efforts to the next level. The Board of Directors and Officers of LTR exercise all their fiduciary duties (Duty of Care and Duty of Loyalty) with the utmost diligence. To ensure that board directors act in an ethical and independent manner, members are required to undergo annual ethics, conflicts of interest, and business code of conduct training. Board members ensure that stakeholder feedback from sustainability materiality assessments are thoroughly reviewed and implemented in committee meetings and actions.
2-11 Chair of the highest governance body		Tyler Reeder, Managing Partner - Energy Capital Partners (ECP). Mr. Reeder is the highest ranking individual from ECP and therefore acts as the Chairman of the Board at Liberty Tire Recycling.
2-14 Role of the highest governance body in sustainability reporting	Letter from the CEO (p. 2)	While overseen and reviewed by the Board, the drafting, approval, and publication of this report is a management function. Mr. Thomas Womble is the CEO and also a Board member.
2-15 Conflicts of interest	Operating Responsibly (p. 41)	Omission Statement: Liberty Tire does not report on the how conflicts of interest are disclosed to the stakeholders during the reporting period. At this time, information is considered confidential and is therefore not reported on publicly. Reason for Omission: Confidentiality Constraints
2-16 Communication of critical concerns	Operating Responsibly (p. 41-42)	Omission Statement: Liberty Tire does not report on total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period. At this time, this information is considered confidential and is therefore not reported on publicly. Reason for Omission: Confidentiality Constraints
2-23 Policy commitments	Operating Responsibly (p. 41-42), Engaging People and Communities (p. 30-38), Our Approach to Sustainability (p. 10,12)	Liberty Tire uses due diligence processes and the precautionary principle when creating and enforcing policy commitments. Liberty Tire implements human rights considerations into all policy commitments. Policy commitments are communicated to business partners and other relevant third parties through our supplier code of conduct. Adherence to our supplier code of conduct is mandatory for continued business with Liberty Tire. Policy commitments are approved by the legal department. Omission Statement: Liberty Tire does not currently use authoritative intergovernmental instruments to create ESG policies. Reason for Omission: Not applicable Omission Statement: Liberty Tire does not currently publicly disclose policy commitments. Reason for Omission: Confidentiality Constraints
2-24 Embedding policy commitments	Operating Responsibly (p.41-42)	

2-25 Processes to remediate negative impacts	Operating Responsibly (p. 41)	<p>The Company has several mechanisms through which people can report grievances, which in turn allow us to properly remediate negative impacts. We also have outside regulatory mechanisms that help us collect grievances and mitigate negative impacts, such as our permits, workers comp program, OSHA, and other such avenues. Lastly, we carry robust business insurance that helps us remediate possible negative impacts from our operations, such as property, auto, general liability, environmental, and other lines of insurance coverage.</p> <p>Omission Statement: Liberty Tire has not yet identified negative impacts or remediation efforts.</p> <p>Reason for Omission: Information unavailable/incomplete</p> <p>Omission Statement: Liberty Tire does not currently publicly disclose how grievance mechanisms are tracked for effectiveness.</p> <p>Reason for Omission: Legal Prohibitions</p>
2-26 Mechanisms for seeking advice and raising concerns	Operating Responsibly (p. 41)	
2-27 Compliance with laws and regulations	Operating Responsibly (p. 41-42)	<p>Omission Statement: Liberty Tire does not currently publicly disclose significant instances of non-compliance with laws and regulations resulting in fines or non-monetary sanctions.</p> <p>Reason for Omission: Legal prohibitions</p>
2-28 Membership associations	Company Overview (p. 8)	
2-29 Approach to stakeholder engagement	Our Approach to Sustainability (p. 10)	In 2021, we conducted our first sustainability materiality assessment. We requested feedback from our internal and external stakeholders, including investors, employees, customers, industry NGOs, and business leaders, to identify our most material sustainability topics given our current business operations.
2-30 Collective bargaining agreements	Operating Responsibly (pg. 41)	<p>Omission Statement: Liberty Tire does not currently publicly disclose our methodology for determining working conditions and terms for employees not covered by a collective bargaining agreement.</p> <p>Reason for Omission: Confidentiality Constraints</p>

## GRI 3: Material Topics 2021

Disclosure	Location	Data
3-1 Process to determine material topics	Our Approach to Sustainability (p. 10)	Our materiality matrix takes human rights impacts into consideration and implements policy to ensure that human rights standards are upheld.
3-2 List of material topics	Our Approach to Sustainability (p. 10-11)	There have been no changes to Liberty Tire's list of material topics in 2022.
3-3 Management of material topics	Our Approach to Sustainability (p. 10-12), Engaging People and Communities (p. 30-40), Operating Responsibly (p. 41-42)	No negative impacts have arisen from business relationships, activities, or partnerships.

## GRI 201: Economic Performance 2016

Disclosure	Location	Data
201-3 Defined benefit plan obligations and other retirement plans		Liberty Tire offers a non-standardized defined contribution plan to those age 21 and older working part-time or full-time. Employees reach eligibility the first quarter following 90 days after their hire date. The employer match is 50% on the first 1-2% of employee contribution and 25% on the next 3-4% employee contribution. Liberty's 401k plan is voluntary. Liberty does not offer an employer pension plan

## GRI 202: Market Presence 2016

Disclosure	Location	Data
202-1 Ratios of standard entry level wage by gender compared to local minimum wage		Ratio of Male to Standard Federal minimum wage - 2:54, Ratio of Female to Standard Federal minimum wage - 2:58. Employees in all locations are compensated at or above minimum wage. In some job categories, this may be a combination of hourly wage and piece rate. LTR considers all locations of operations to be significant locations of operation. An FLSA audit is performed to ensure all individuals are paid at least minimum wage.  Omission Statement: LTR does not currently track wages for workers who are not employees as they are paid through a contracted agency.  Reason for Omission: Information unavailable

## GRI 203: Indirect Economic Impacts 2016

Disclosure	Location	Data
203-1 Infrastructure investments and services supported	Zero-Waste Goal (p. 13), Advancing Sustainable Products (p. 14-20), Accelerating Environmental Stewardship (p. 21-29)	
203-2 Significant indirect economic impacts	Zero-Waste Goal (p. 13), Advancing Sustainable Products (p. 14-20), Accelerating Environmental Stewardship (p. 21-29)	

## GRI 205: Anti-corruption 2016

Disclosure	Location	Data
205-1 Operations assessed for risks related to corruption	Operating Responsibly (p. 41)	Omission Statement: Liberty Tire has not yet conducted a corruption risk assessment, however the company recently hired an Enterprise Risk Manager who will be responsible for determining risks related to corruption.  Reason for Omission: Information unavailable/incomplete
205-2 Communication and training about anti-corruption policies and procedures	Operating Responsibly (p. 41)	



## GRI 301: Materials 2016

Disclosure	Location	Data
301-1 Materials used by weight or volume		Total Volume of materials used: 956,225.50 MT (non-renewable)
301-2 Recycled input materials used	Advancing Sustainable Products (p. 14,17,19)	Total Recycled Input Materials used (end of life tires): 951,187.58 MT Total Input Materials used: 956,181.88 MT Percentage of Recycled Input Materials used: 99.48%

## GRI 302: Energy 2016

Disclosure	Location	Data
302-1 Energy consumption within the organization	Accelerating Environmental Stewardship (p. 23-29)	<p><b>Non-renewable Fuel</b> Natural Gas 81,295 GJ Gasoline 2,818 GJ Diesel 653,135 GJ Propane 84,819 GJ</p> <p><b>Renewable Fuel</b> Biodiesel 21,498 GJ</p> <p><b>Heating/Cooling Consumed</b> Electricity 409,078 GJ</p> <p><b>Total Energy Consumption 1,252,643 GJ</b></p> <p>The majority of heating is done through natural gas, included in non-renewable fuels. Cooling electricity is not currently separately tracked. Activity based data collection is sourced from fuel cards, fuel invoices, and utility bills. EPA Emission Factors Hub 2023 was used to compile data.</p> <p>Omission Statement: Liberty Tire does not sell electricity, heating, or cooling, nor consume or sell steam.</p> <p>Reason for Omission: Not applicable</p>

## GRI 305: Emissions 2016

Disclosure	Location	Data
305-1 Direct (Scope 1) GHG emissions	Accelerating Environmental Stewardship (p. 21-28)	<p>2022 is being used as the base year for emissions as it was the first year that Liberty Tire was able to sufficiently gather data for Scope 1 emissions. Bridge House Advisors, a third party consultant to Liberty Tire, prepared the GHG calculations for Scope 1. Activity based data collection is sourced from fuel cards, fuel invoices, and utility bills. EPA Emission Factors for GHG Inventories 2023 and IPCC 4th Assessment Report findings were used through operational control practices to compile data.</p> <p>2022 Scope 1 Emissions: 57,060 MT CO<sub>2</sub>-e</p> <p>Omission Statement: Liberty Tire does not produce any biogenic emissions in business operations. No recalculations of base year emissions have occurred.</p> <p>Reason for Omission: Not applicable</p>

305-2 Energy indirect (Scope 2) GHG emissions	Accelerating Environmental Stewardship (p. 21-28))	<p>2022 is used as the base year for emissions as it was the first year that LTR was able to sufficiently gather data for Scope 2 emissions. Bridge House Advisors, a third party consultant to Liberty Tire, prepared the GHG calculations for Scope 2. LTR utilizes a cloud-based solution that provides utility bill management services to track electricity consumption. EPA Emission Factors for GHG Inventories 2023 and IPCC 4th Assessment Report findings were used through operational control practices to compile data.</p> <p>2022 Scope 2 Emissions: 46,224 MT CO<sub>2</sub>-e</p> <p>Omission Statement: LTR does not calculate Market-based emissions. No recalculations of base year emissions have occurred.</p> <p>Reason for Omission: Not applicable</p>
305-3 Other indirect (Scope 3) GHG emissions	Accelerating Environmental Stewardship (p. 21-28)	<p>2022 is used as the base year for emissions as it was the first year that Liberty Tire was able to sufficiently gather data for partial Scope 3 emissions. Bridge House Advisors, a third party consultant to Liberty Tire, prepared the GHG calculations for Scope 3. Liberty Tire utilizes a cloud-based solution that provides utility bill management services to track electricity consumption. Activity-based data collection was used for Categories 3, 4, 5, 7, 9, 10, 11, and 12. Spend-based methodology was used for Categories 1 and 2. And a combination of spend and activity-based methodologies for Category 6. The company reports on categories 1 - 12 of Scope 3 emissions, excluding Category 8 (Upstream Leased Assets). U.S. Environmental Protection Agency's - Emission Factors for GHG Inventories - 2023; IPCC Fourth Assessment Report (AR6) - 2021; Greenhouse Gas Protocol's Scope 3 Evaluator (Quantis); EPA's WARM Model Version 15 (November 2020 update) were all used to convert and compile data.</p> <p>2022 Scope 3 Emissions: 1,910,176 MT CO<sub>2</sub>-e</p> <p>Omission Statement: Liberty Tire does not calculate Market-based emissions. No recalculations of base year emissions have occurred.</p> <p>Reason for Omission: Not applicable</p>
305-5 Reduction of GHG emissions	Accelerating Environmental Stewardship (p. 21-28)	<p>Omission Statement: Liberty Tire has not yet begun tracking Scope 1, 2, or 3 emission reductions at this time.</p> <p>Reason for Omission: Information unavailable/incomplete</p>
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Accelerating Environmental Stewardship (p. 23)	<p>NOx: 293 MT SOx: 84 MT</p> <p>Emission factors were sourced using EPA standards. US EPA's Compilation of Air Pollutant Emissions Factors (AP-42); Bureau of Transportation Statistics - US Avg Vehicle Emission Rates per Vehicle by Vehicle Type using Gasoline and Diesel. Utilized AP-42 and BTS standard emission factors coupled with fuel consumption data gathered from fuel cards, fuel invoices, and utility bills.</p> <p>Omission Statement: Liberty Tire does not produce a material amount of persistent organic pollutants (POPs), volatile organic pollutants (VOPs), hazardous air pollutants (HOPs), or other air emissions identified in relevant regulations.</p> <p>Reason for Omission: Not applicable</p> <p>Omission Statement: Particulate Matter (PM) permit obligations require visual inspection only.</p> <p>Reason for Omission: Information unavailable/incomplete</p>

## GRI 306: Waste 2020

Disclosure	Location	Data
306-1 Waste generation and significant waste-related impacts	Zero-waste Goal (p. 13)	Liberty Tire Recycling is an end-of-life tire collection and processing business and as such, our entire business is driven by managing and processing waste generated by others.
306-2 Management of significant waste-related impacts	Zero-waste Goal (p. 13)	Waste generated by Liberty Tire is managed by a third party or contained within on-site tire monofilms.
306-3 Waste generated		527,877.94 metric tons (comprised of municipal solid waste, tires, and universal and hazardous waste) and 16,955 gallons of waste oil. Data was pulled directly from each site location.
306-4 Waste diverted from disposal	Zero-Waste Goal (p. 13)	1,445,854 metric tons of tires were diverted from landfills in 2022. Tires were recovered for preparation for reuse and recycling purposes. No hazardous waste was diverted from landfills in company operations.
306-5 Waste directed to disposal		<p>527,877.94 metric tons (comprised of municipal solid waste, tires, and universal and hazardous waste) and 16,955 gallons of waste oil were directed to disposal. Data was pulled directly from each site location through online surveys and questionnaires.</p> <p>3rd Party Waste Disposal 285,427.63 MT</p> <p>On-site Waste Disposal 158,279.24 MT</p> <p>Total Waste Disposal 443,706.867 MT</p> <p>Omission Statement: LTR does not currently track how 3rd party vendors handle or treat waste streams.</p> <p>Reason for Omission: Information unavailable/incomplete</p>

## GRI 401: Employment 2016

Disclosure	Location	Data
401-1 New employee hires and employee turnover		<p>Liberty Tire had 824 new hires in 2022 and a turnover rate for permanent employees of 61%.</p> <p>Omission Statement: The company does not currently track employee new hire or turnover rate by age group, gender, or region.</p> <p>Reason for Omission: Information unavailable/incomplete</p>
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees		Full-time employees at all locations of operations have access to all of our benefits including Health, Pharmacy, Health Savings Account, Flex Spending Accounts, Dental, Vision, Accident, Critical Illness, Hospital Indemnity, Basic and Voluntary Life, Accidental Death, Long Term Disability, Short Term Disability, 401k, and Employee Assistance Program. Part-time employees have access to the 401k program.

## GRI 402: Labor/Management Relations 2016

Disclosure	Location	Data
402-1 Minimum notice periods regarding operational changes		Employees are given a minimum of 60 days notice before significant operational changes within the company.

## GRI 403: Occupational Health and Safety 2018

Disclosure	Location	Data
403-1 Occupational health and safety management system		Liberty Tire has an Occupational Health and Safety Management System in place as part of our regulatory requirements and company risk management plan. All workers, activities, and workplaces are covered by our occupational health and safety system.
403-3 Occupational health services		External subject matter experts are utilized as part of the Workers' Compensation Policy. Industrial Hygienists visit Liberty Tire facilities to review ergonomics, machine guarding, noise, dust, fire detection suppression systems, special tasks, and more.
403-4 Worker participation, consultation, and communication on occupational health and safety	Engaging People and Communities (p. 36)	
403-5 Worker training on occupational health and safety	Engaging People and Communities (p. 35, 38)	
403-6 Promotion of worker health	Engaging People and Communities (p. 35-37)	
403-8 Workers covered by an occupational health and safety management system		All employees are covered by nationally recognized standards. There is no single formal Safety Management System in place for the entire company as regional needs vary based on customer requirements and site-specific risks. The Occupational Health and Safety Management System at Liberty locations are audited internally, as well as through third party and customer audits.
403-9 Work-related injuries	Engaging People and Communities (p. 37)	No workers were excluded from these calculations.

## GRI 404: Training and Education 2016

Disclosure	Location	Data
404-1 Average hours of training per year per employee	Engaging People and Communities (p. 35, 38)	Omission Statement: Liberty Tire does not currently track training hours by gender of employee. We expect to roll out training tracking by gender in 2024. Reason for Omission: Information unavailable/incomplete
404-2 Programs for upgrading employee skills and transition assistance programs	Engaging People and Communities (p. 32-35, 38 )	Liberty Tire has outplacement services available which include an assigned career coach, resume preparation support, individual career and job market exploration and analysis, customized job leads, weekly power networking events, 24/7 access to information, access to professional staff support and interview preparation.
404-3 Percentage of employees receiving regular performance and career development reviews		98% of employees received Performance Appraisals in 2022.

## GRI 405: Diversity and Equal Opportunity 2016

Disclosure	Location	Data
405-1 Diversity of governance bodies and employees	Engaging People and Communities (p. 30)	Omission Statement: Age groups of governance bodies and age breakdown by employee category are not included in this report. Reason for Omission: Information unavailable/incomplete

## GRI 413: Local Communities 2016

Disclosure	Location	Data
413-1 Operations with local community engagement, impact assessments, and development programs	Engaging People and Communities (p. 33-34, 39-40)	Omission Statement: Liberty Tire does not currently conduct social or environmental impact assessments on all locations. We do not currently publicly disclose stakeholder engagement plans, broad based local community consultation committees, worker councils, or formal local community grievance processes. Reason for Omission: Information unavailable/incomplete

## GRI 415: Public Policy 2016

Disclosure	Location	Data
415-1 Political contributions		\$0

## GRI 417: Marketing and Labeling 2016

Disclosure	Location	Data
417-1 Requirements for product and service information and labeling	Advancing Sustainable Products (p. 18, 20)	Omission Statement: Liberty Tire does not currently report on the percent of products and services that go through 3rd party compliance audits. Reason for Omission: Information unavailable/incomplete

## GRI 418: Customer Privacy 2016

Disclosure	Location	Data
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		There were no instances of complaints concerning breaches of customer privacy or losses of customer data in 2022.

Sustainability Accounting Standards Board (SASB) provides uniform standards to report ESG disclosures among companies within the same industry.

Liberty Tire has a wide range of operations and is reporting on the Waste Management and Road Transportation industries as described by the SASB organization below.

## Waste Management

The Waste Management industry includes companies that collect, store, dispose of, recycle, or treat various forms of waste from residential, commercial, and industrial clients. Types of waste include municipal solid waste, hazardous waste, recyclable materials, and compostable or organic materials. Major companies are commonly vertically integrated, providing a range of services from waste collection to landfilling and recycling, while others provide specialized services such as treating medical and industrial wastes. Waste-to-energy operations are a distinct industry segment. Certain industry players also provide environmental engineering and consulting services, mostly to large industrial clients.

## Road Transportation

The Road Transportation industry consists of companies that provide long- and short-haul freight trucking services. Key activities include the shipment of containerized and bulk freight, including consumer goods and a wide variety of commodities. The industry is commonly broken down into two categories: truckload (vehicles carrying the goods of only one customer) and less-than-truckload (vehicles carrying the goods of multiple customers). Owner-operators comprise the vast majority of the industry due to the relative ease of entry, while a few large operators maintain market share through contracts with major shippers. Large companies often subcontract with owner-operators to supplement their owned fleet.

Topic	SASB Code	Disclosure Accounting Metric	Metric or Qualitative Disclosure
Greenhouse Gas Emissions	TR-RO-110a.1 IF-WM-110a.1	(1) Gross global Scope 1 emissions, (2) percentage covered under emissions-limiting regulations, and (3) emissions-reporting regulations	1) 57,060 Metric tons (t) CO <sub>2</sub> -e 2) 0% - No emissions were covered under emissions-limiting regulation. 3) 0% - No emissions were covered under emissions-reporting regulation.  None of Liberty Tire Recycling's sites exceed the reporting thresholds for emissions-limiting regulation or emissions-reporting regulation.
Greenhouse Gas Emissions	IF-WM-110a.2	1) Total landfill gas generated, (2) percentage flared, (3) percentage used for energy	Not applicable: Liberty Tire does not own or operate any municipal solid waste landfill operations and has no landfill gas generated at any location.
Greenhouse Gas Emissions	IF-WM-110a.3 TR-RO-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	<p>Our sustainability goals are aligned with our business strategy and our primary focus is zero waste by 2030. We define this as having all end-of-life tires reaching secondary markets and zero being disposed of in landfills. We will do this by adding processing capabilities to move product up the value chain and to continue working with our customers and industry partners on supporting emerging technologies and creating new products and markets for recycled tire material.</p> <p>We have set a target to reduce our energy intensity by 25% by 2032 which will also reduce Scope 1 and 2 emissions from our recycling operations. The primary mechanism for achieving our 2030 target includes capital investments in operational efficiency technologies in our tire shredding operations, conversion to LED lighting in all of our facilities, improving compressed air management and leveraging power factor and peak demand opportunities. In the short term, all Liberty operating facilities have a goal of implementing one energy efficiency project in calendar year 2023. These projects will be shared throughout the organization and evaluated for their contribution to our emissions reduction efforts.</p> <p>A second target has been set to improve fleet efficiency by 30% by 2032. We will accomplish this goal through the use of alternative fuels, route optimization, reducing the idle time of our fleet and improving our fuel efficiency. While we will continue to monitor the opportunities for electrification, today that is not feasible due to the limited range of the vehicles and infrastructure available.</p> <p>These company-wide goals were set in 2022 and performance against these targets has not yet been recorded. Additionally, each site was given a goal to reduce energy usage at their location. Details surrounding these efforts and results will be documented in future EDG reports.</p>
Greenhouse Gas Emissions	TR-RO-110a.3 IF-WM-110b.1	1) Fleet fuel consumed, (2) percentage naturalgas, (3) percentage renewable	1) 731,291 GJ 2) 0% 3) 2.9%
Fleet Fuel Management	IF-WM-110b.2	Percentage of alternative fuel vehicles in fleet	0%  We continue to investigate opportunities for alternatively fueled vehicles in our fleet. The current limitations in electrification as it relates to vehicle mileage and existing infrastructure do not make this feasible at the present time. Our intention is to research the use of hydrogen technology as a possible alternative in the 2023-2024 calendar years.



Air Quality	TR-RO-120a.1 IF-WM-120a.1	Air emissions of the following pollutants: (1) Nox (excluding N2O), (2) SOx, (3) particulate matter (PM10), (4) dioxins/furans, (5) volatile organic compounds (VOCs), (6) polycyclic aromatic hydrocarbons (PAHs), and (7) heavy metals	Liberty Tire does not measure air emissions. Particulate matter is measured by visual inspection, in adherence to permit requirements.  Liberty Tire facilities generate primarily particulate emissions as a result of scrap tire shredding and grinding operations. Emissions control devices such as cyclones and baghouses are used to control these particulate emissions at relevant facilities. Minor amounts of volatile organic compounds may be generated from onsite fuel storage tanks and molded rubber products operations.
Air Quality	IF-WM-120a.2	Number of facilities in or near areas of dense population	20
Air Quality	IF-WM-120a.3	Number of incidents of non-compliance associated with air emissions	0
Management of Leachate & Hazardous Waste	IF-WM-150a.1	1) Total Toxic Release Inventory (TRI) releases, (2) percentage released to water	Not applicable: Liberty Tire does not operate municipal solid waste landfill operations
Management of Leachate & Hazardous Waste	IF-WM-150a.2	Number of corrective actions implemented for landfill releases	Not applicable: Liberty Tire does not operate municipal solid waste landfill operations
Management of Leachate & Hazardous Waste	IF-WM-150a.3	Number of incidents of non-compliance associated with environmental impacts	Not applicable: Liberty Tire does not operate municipal solid waste landfill operations
Labor Practices	IF-WM-310a.1	Percentage of active workforce covered under collective bargaining agreements	14.80%
Labor Practices	IF-WM-310a.2	(1) Number of work stoppages and (2) total days idle	0
Driver Working Conditions	TR-RO-320a.1	Fatality Rate for Direct Employees and for Contract Employees	0
Workforce Health and Safety	IF-WM-320a.1 TR-RO-320a.1	(1) Total recordable incident rate (TRIR) and (2) near miss frequency rate (NMFR) for (a) full-time employees and (b) contract employees	(1) 3.24 (2a) 0.94 (2b) No fatalities in 2022.

Workforce Health and Safety	IF-WM-320a.2 TR-RO-540a.2	Safety Measurement System BASIC percentiles for: (1) Unsafe Driving, (2) Hours-of-Service Compliance, (3) Driver Fitness, (4) Controlled Substances/Alcohol, (5) Vehicle Maintenance, and (6) Hazardous Materials Compliance	<b>DOT 2480978 – Central Carolina Holdings</b>	<b>DOT 627806 – Lakin Tire West LLC</b>
			Unsafe Driving – 0% Hours Of Service – 0% Driver Fitness - < 5 Driver Inspections Controlled Substances & Alcohol – 0% Vehicle Maintenance - < 5 Vehicle Inspections Crash Indicator – 0% Insurance / Other – N/A	Unsafe Driving – 10% Hours Of Service – 37% Driver Fitness - < 5 Driver Inspections Controlled Substances & Alcohol – 0% Vehicle Maintenance – 71% Crash Indicator – 8% Insurance / Other – N/A
			<b>DOT 1557779 – Liberty Tire Recycling LLC (Conditional Safety Rating)</b>	<b>DOT 593970 – Auburndale Recycling Center</b>
			Unsafe Driving – 2% Hours Of Service – No violations within 1 year Driver Fitness - < 5 Driver Inspections Controlled Substances & Alcohol – 0% Vehicle Maintenance – 98% (In Alert Status) Crash Indicator – 79% Insurance / Other – N/A	Unsafe Driving – 10% Hours Of Service – < 3 Inspections Driver Fitness – 0% Controlled Substances & Alcohol – 0% Vehicle Maintenance - < 5 Vehicle Inspections Crash Indicator – 0% Insurance / Other – N/A
			<b>DOT 1397309 – Quality Tire Recycling</b>	<b>DOT 496651 – US Tire Recycling Partners LLC</b>
			Unsafe Driving – 7% Hours Of Service – < 3 Inspections with violations Driver Fitness – < 5 Driver Inspections Controlled Substances & Alcohol – 0% Vehicle Maintenance – 77% Crash Indicator – 7% Insurance / Other – N/A	Unsafe Driving – 26% Hours Of Service – 0% Driver Fitness - < 5 Driver Inspections Controlled Substances & Alcohol – 0% Vehicle Maintenance – 72% Crash Indicator – < 2 Crashes Insurance / Other – N/A
			<b>DOT 1029241 – Liberty Tire Services of OH LLC</b>	<b>DOT 177586 – Lakin Tire East</b>
			Unsafe Driving – 52% Hours Of Service – 38% Driver Fitness – 73% Controlled Substances & Alcohol – 0% Vehicle Maintenance – 86% Crash Indicator – 7% Insurance / Other – N/A	Unsafe Driving – No Violations Within 1 Year Hours Of Service – No Violations Within 1 Year Driver Fitness - < 5 Driver Inspections Controlled Substances & Alcohol – 0% Vehicle Maintenance – < 5 Vehicle Inspections Crash Indicator – < 2 Crashes Insurance / Other – N/A

Workforce Health and Safety Accident and Safety Management	IF-WM-320a.3 TR-RO-540a.1	Number of road accidents and incidents	Road accidents and incidents in 2022: 66 DOT accidents per million miles in 2022: 16 or .78 per million miles Total preventable accidents in 2022: 23 or 1.12 per million miles Preventable DOT accidents in 2022: 7 or .34 per million miles
Driver Working Conditions	TR-RO-320a.2	1) Voluntary and (2) involuntary turnover rate for all employees	(1,2) Liberty Tire had a turnover rate for permanent employees of 61%. This figure is not tracked by voluntary or involuntary.
Driver Working Conditions	TR-RO-320a.3	Description of approach to managing short-term and long-term driver health risks	To support long-term health and address acute issues, drivers have access to all of our benefits including Health, Pharmacy, Dental, Vision, Accident, Critical Illness, Hospital Indemnity, Long Term Disability, Short Term Disability, and our Employee Assistance Program. LTR has an Occupational Health and Safety Management System in place as part of our regulatory requirements and company risk management plan. Liberty Tire utilizes an in-cab telematics and camera system to record driving behaviors that can pose health risks to drivers. Drivers are routinely coached on those behaviors. Drivers and helpers perform stretch and flex daily prior to departure. Additionally, our site personnel are trained and encouraged to identify and preempt other potential health hazards for drivers such as fatigue and substance abuse.
Recycling and Resource Recovery	IF-WM-420a.1	(1) Amount of waste incinerated, (2) percentage hazardous, (3) percentage used for energy recovery	Not applicable: Liberty Tire does not incinerate any materials.
Recycling and Resource Recovery	IF-WM-420a.2	Percentage of customers receiving (1) recycling and (2) composting services, by customer type	(1) 100% (99% Commercial; 1% Residential) (2) 0%
Recycling and Resource Recovery	IF-WM-420a.3	Amount of material (1) recycled, (2) composted, and (3) processed as waste-to-energy	(1) 1,445,854 metric tons (2) 0 (3) 0 74.4% of our total pounds collected, turned into metric tons. LTR does not process any material for energy themselves.
Recycling and Resource Recovery	IF-WM-420a.4	Amount of electronic waste collected, percentage recovered through recycling	Liberty Tire's operations do not include electronics recycling. However, we conducted an internal electronics recycling event in 2022 and collected 1,798 pounds of e-waste to recycle.
Accident and Safety Management	TR-RO-540a.3	1) Number and (2) aggregate volume of spills and releases to the environment	1) 1 2) Approximately 75 gallons of diesel fuel

Activity Metric	SASB Code	Disclosure Accounting Metric	Metric or Qualitative Disclosure
Activity Metric - Waste Management	IF-WM-000.A	Number of customers by category: (1) municipal, (2) commercial, (3) industrial, (4) residential, and (5) other	(1) 12.4% (2) and (3) 87.5% (4) .1% (5) 0%
Activity Metric - Waste Management	IF-WM-000.B	Vehicle fleet size	450 vehicles
Activity Metric - Waste Management	IF-WM-000.C	Number of: (1) landfills, (2) transfer stations, (3) recycling centers, (4) composting centers, (5) incinerators, and (6) all other facilities	Liberty Tire owns three tire monofills and six tire transfer stations.
Activity Metric - Waste Management	IF-WM-000.D	Total amount of materials managed, by customer category: (1) municipal, (2) commercial, (3) industrial, (4) residential, and (5) other	The only material managed by Liberty Tire Recycling is end-of-life tires. While there is a small portion collected that is metal from a small portion of wheel weights and rims, 99.6% of our total collections is tires. We collect tires from municipal, commercial and residential customers. Metal .4% Rubber (tires/tubes) 99.6%
Activity Metric - Road Transportation	TR-RO-000.A	Revenue ton miles (RTM)	Because transportation is not Liberty Tire's primary business, this is not currently calculated.
Activity Metric - Road Transportation	TR-RO-000.B	Load factor	Because transportation is not Liberty's primary business, this is not currently calculated.
Activity Metric - Road Transportation	TR-RO-000.C	Number of employees, number of truck drivers	Employees: 3,099 Drivers: 498



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TIRE RECYCLING



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