

# 2020 ANNUAL REVIEW



Feature Stories:

**Lights, Camera, Action | Game Changers**  
**A Sea of Competition | Generosity of Spirit**

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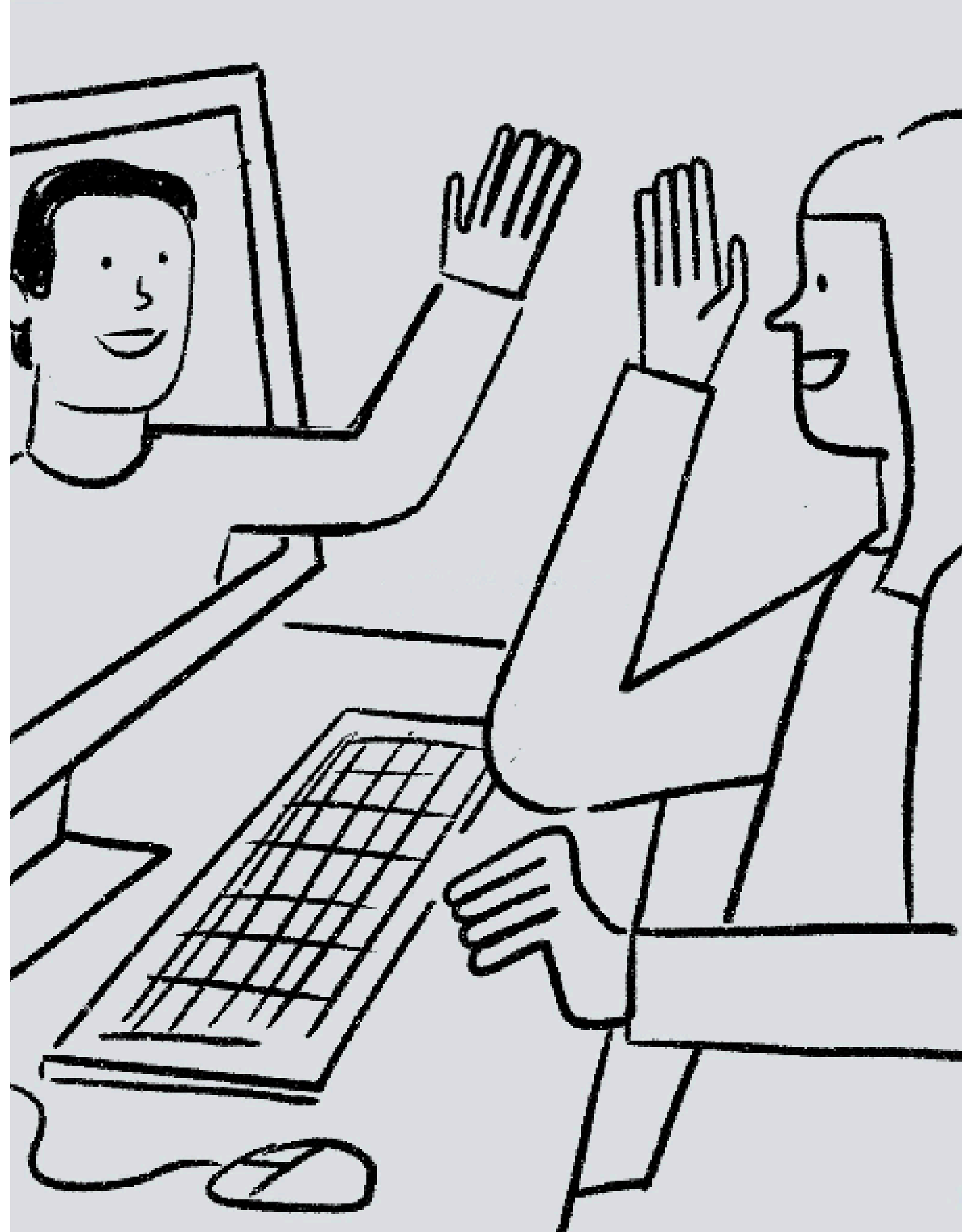
## THE MANY FACES OF AXEL JOHNSON

- 04 2020 Introduction
- 06 President & CEO Message
- 09 Fostering A Legacy: Axel Mörner, Fika's, and the Future
- 13 Brazeway: Lights, Camera, Action
- 16 Game Changers: Four Women Reshaping the Future of Axel Johnson
- 27 W2C: The Road Less Traveled
- 30 The Ripple Effect: The Many Faces of Upward Mobility at Axel Johnson
- 37 Overcoming Division: Steve Wilson
- 39 Sea of Competition: Parkson
- 43 Table Stakes: Skojdt-Barrett
- 46 Generosity of Spirit: A Candid Conversation with Antonia Johnson
- 50 The Axel Johnson Goup
- 52 Values Driven Ownership
- 54 Our Companies
- 64 Financials
- 68 Profiles



# GREAT INVESTMENTS START WITH GREAT PEOPLE.

This year's annual review may look a bit different. That's because we believe that great returns start with great people. So, rather than just focusing our 2020 Annual Review on our businesses, we are focusing on our people. Not just the brilliant senior executives minds who see deal with the big picture, but all the senior executives, who deal with the big picture, but all the brilliant personalities that make up the heart and soul of who we are. People you can trust. People you can connect with on a human level. In fact, these relationships — and our shared commitment to making a positive change through our businesses — are what define us. And while 2020 tested our resolve and proved that we can keep the lights on even when we can't all be in the same place — we cannot truly build something great without time together. **Coming together again is essential for the sustainability of Axel Johnson. So let's build something together in 2021. Because the relationships we have with each other are what matter most in life.**



## LETTER FROM THE PRESIDENT & CEO

The turning of the calendar is always an opportunity for reflection, and for my own part, while I would never wish to repeat the experience of the last twelve months, when I think about the course of 2020 I find myself feeling tremendously grateful for having traveled through the last year in such fine company.

We are all too aware of the genuine hardships and suffering many of us, and many around us, experienced in this past year. There are no words to erase the sadness of having watched so many acquaintances and colleagues lose loved ones to the virus, or struggle with the economic and community consequences it has brought. The airways were filled with constant images and reminders of all this pain, so I will refrain from adding to it other than to say that it was real, and it's important that we acknowledge the effect it has had on us all.

With this said, with hindsight I also recognize that we have so much to be proud of when we look back at the year. Most important, of course, is the extraordinary effort everyone in our extended family invested in trying to ensure the safety and well-being of those around us. The commitment our colleagues at every level demonstrated to embracing and sustaining the practical measures to reduce risk for all, including masking, social distancing, workflow reorganization, safe commuting, and voluntary health reporting, was nothing short of remarkable and a testimony to the ubiquitous nature of the values we spend so much time extolling.

Equally remarkable was the honesty, transparency, warmth, and creativity each of our leadership colleagues, brought to inspiring and lifting up the rest of our teams through so many difficult and worrisome days. While the success we've realized in navigating these challenging times was ultimately "retail" in nature - that is, it required universal effort and commitment on the part of essentially all our colleagues - it would not have been possible without the inspiration manifest by those in our executive teams in setting the tone and living the example in their respective companies.

In light of all the challenges we faced through the year, it is almost unimaginable that our financial results ultimately came within a few hundred thousand dollars of the aggregate plan we set for ourselves back in the fall of 2019, when none of us had even the slightest appreciation for what was coming. Importantly, this incredible achievement was universal across the group, with every company coming within hailing distance, or even exceeding, the plan we had set for ourselves all those months ago. Some of you set new performance records, and those who didn't came very close. Every one of you, however, had to adapt to and overcome tremendous challenges to our usual way of operating and working together, and, in most cases, find a way to cope with systematic volatility on the part of customers and supply partners. If ever there was a year that proved that principles-based leadership matters, this was it.

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**"Our success was the product of all the investments we have made in our capabilities and our culture over the last twenty years.**

**It reflects our perpetual commitment to being here fifty years from now, still growing, employing even more colleagues, and changing the world in all the ways in which we hope to."**

While we can all agree that our 2020 financial performance is certainly not the most important metric by which we will look back and judge ourselves, I do believe that demonstrating this ability to maintain fiscal stability while navigating such a challenging environment has implications far more significant than our near-term bank balance. Our success was the product of all the investments we have made in our capabilities and our culture over the last twenty years. It speaks to our ability to sustain these investments in our people and in our future through even the most difficult times. It reflects our perpetual commitment to being here fifty years from now, still growing, employing even more colleagues, and changing the world in all the ways in which we hope to.

With this said, we now need to take up a new challenge brought on by the last twelve months -- the challenge of coming back together, as one community, face-to-face and in person, to begin re-investing in the very bonds that saw us through this difficult period.

While a majority of our colleagues continued to come into our factories, terminals, service operations and offices throughout the year, many of us were forced to work remotely, at a distance (both literal and figurative) from the rest of our friends. Even those who traveled in to work each day had to adapt to an environment that was a far cry from the "togetherness" that has made us who we are.

Without doubt, we managed through these dynamics, but much of the glue that held us together through this period was formed by years of shared personal experience with each other, the product of thousands of conversations, group meetings, casual interactions in the halls and cafeterias, and dinners while on the road together. In all these small moments we forged and brought to life the substance of the values that make us who we are - curiosity, respect, honesty, responsibility, generosity - and laid the foundation that would carry us through the long days and weeks of working independently.

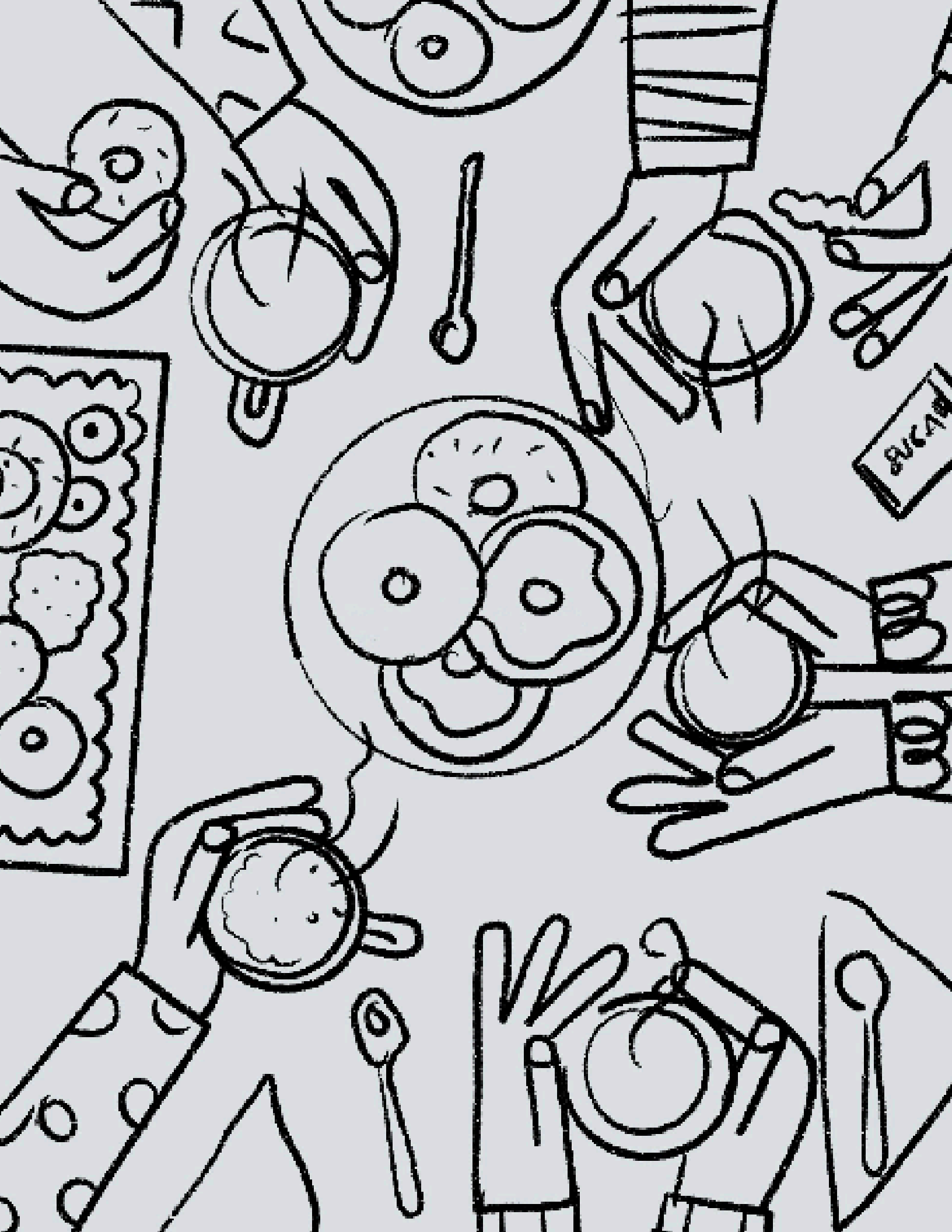
For certain we must learn from the good that came from this experience, and we will continue to explore where and how some incremental flexibility can make us more versatile. But there is ultimately no substitute for the intimate daily human collaboration that builds the bonds that make us such a uniquely capable and sustainable community.

Much of the remainder of this year's annual review is devoted to a series of stories about a few of our colleagues. They are stories that give illustration to the ways in which our daily working together brings our values alive and enriches us all. I hope they will leave you as eager as I am to start seeing one another in the halls and corridors again soon.



**Michael D. Milligan**  
President & CEO





# FOSTERING A LEGACY

Axel Johnson Inc.'s chairman, **Axel Mörner**, is poised to leverage a **family ethos** defined by **responsibility, respect**, and a **healthy dose of hustle**.

From his family farm outside Stockholm, wearing a casual denim shirt while speaking on becoming chairman of Axel Johnson Inc., Axel Mörner's unassuming personality is readily apparent. Considering the company culture, his approachable nature is telling: Ask most any AJI employee what most defines their workplace, and a common thread inevitably arises, centered on the authenticity and accessibility of company leadership and family alike.

Mörner's perspective? "There's also a belief we can make a difference with our businesses."

Whether treating wastewater at Parkson, creating Brazeway refrigerator parts, or supplying automation systems to drug discovery companies, AJI's innovation has daily impact. The company has made a difference, indeed.

The original Axel Johnson, who founded the company in 1873, was "young, ambitious, and curious," according to Mörner. Yet when the traditional patriarchy evolved and his mother, Antonia Ax:son Johnson, became the company's fourth-generation leader, a more modern culture emerged. After forgoing plans to become a psychiatrist, Antonia assumed ownership 1971, and her acute sense of human nature has helped anchor AJI's longevity and remarkable success.

"Today's culture," Mörner explains, "is formed around Antonia and Nils Mörner—my parents. They started off with not a lot of resources in 1981, fulfilled by the idea that you can make a difference through business and also build value over time. Their relationship and values have really set the tone. From a culture perspective, my parents have been the pivot."

This "pivot" has since become a family legacy—one Mörner intends to pay forward, an ethos also instilled in many AJI employees. "There's a deep sense of meaning [at AJI], and that spreads," he says. "Striving to be the best possible owner, leader, and employer of our businesses makes a big difference, for all involved. Part of our culture is that we take care of each other."

**A case in point—and adding to its unique recipe for success—is the company's ongoing "fikas." The Swedish coffee break allows employees to let their guard down and talk about most anything. "During fikas, coworkers and colleagues talk about the highs and lows of life," Mörner explains. "It's an informal way to connect. The purpose is to strengthen the social fabric of the workplace. It's also when you get wonderful ideas—when you have that bond and level of engagement, you are fired up to be a stronger team."**

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There's no doubt the pandemic was a worrisome fika topic during 2020, yet **AJI has navigated many crises throughout its century-long operations**; the **family atmosphere is integral** to weathering figurative and literal storms. This most recent challenge has allowed AJI to **emerge even stronger**, bolstering its longevity.

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—  
Axel Mörner  
Chairman, Axel Johnson Inc.

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And while the company culture in Sweden and U.S. differs, Mörner's American counterparts have perpetuated his family's group-wide commitment to investing in people. Just as integral is a sense of trust and autonomy. "As owners, you choose leaders," he adds. "And you spend a lot of time supporting them. But it's also important to give leaders the necessary space and freedom to do what they need to do."

The result? U.S. companies where brilliant minds flourish. "I love the energy in the U.S.," he says. "It's a country of entrepreneurship and commerce—the notion that if you put your mind to it, you can create meaningful businesses."

And how would Mörner personally identify success? Ingenuity. Curiosity. Ambition. What's more, "to be responsible, good human beings is very important to us," he says. That last sentiment, according to AJI employees, is the real game changer. In addition to his mother, he credits his sister and predecessor, Alexandra Mörner, in perpetuating the company's pervasive value system.

One additional critical component to conducting meaningful business, Mörner emphasizes, is a healthy respect for besting the field. "You need competition," he explains. "We're competing for investments—we want to grow, and become bigger. To compete is a very fundamental trait." **And though drive is important, AJI has continually proven that business is much more than maximizing a profit. It's about doing right by people. As a result, long-term profitability flourishes, and this business approach fosters sustainability.** Within the AJI family, professional ambition is see-sawed with deep personal relationships and the freedom for employees to further education and make ample time for their own families. "You have to have time for the ones you love," stresses Mörner. "In the end, it's not what you accumulate, but who you have around you."

So as he looks toward the future in his current role, when asked what he's most proud of—a milestone achievement—Mörner's answer is simple, yet prescient: "Exactly this very moment. There's a sense of pride I feel, to be part of businesses that really transform people's lives."





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# LIGHTS CAMERA ACTION

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From set design to starring roles,  
the team at **Brazeway** has become intertwined  
with the legacy of Michigan's oldest theater.

When Brazeway's co-founder, Charlie Hickman, stepped in to purchase the historic Croswell Opera House in 1967, he envisioned the building as a place where the community of Adrian, Michigan could gather for live theater. He never dreamt it would fuel the creativity of his company's engineers and scientists.



Brazeway's employees are experts at turning aluminum into refrigeration-grade tubing and no-frost evaporator coils. But their ingenuity has also helped make a car fly for a production of Chitty Chitty Bang Bang and turned a box of tin scraps into a functional Tin Man costume used in the Wizard of Oz.

"Innovation, diversity of thought and creativity are core tenets of Brazeway," says Jeff Adams, senior vice president of operations at Brazeway and president of Croswell's board of directors. "Engineers tend to flex the muscles in the left side of the brain. The arts and theater can play a large role in stimulating the other side of the brain," he says.

Originally opened in 1866, the Croswell Opera House is Michigan's oldest theater and among the oldest in the country. While Brazeway's employees may not be theater buffs, Adams notes there is a sense of pride in helping make the Croswell a success. The collaboration between extroverted actors and actresses and introverted engineers and programmers speaks to the community-minded mission of both the Croswell and Brazeway.

Chuck Force, Brazeway's Vice President of Administration, jokes that as an engineer, he's analytic, detail obsessed and anal. "I used to look at my shoes a lot when I talked to people," he says. "Most theater people are not like that. They've certainly helped pull me out of my shell." While you couldn't pay Force to jump on stage, he happily heads-up fundraising projects for the theater and helps at rehearsals and cast parties, largely to support his wife, Michelle. "Our contributions may be different—mine fundraising and my wife's performing—but the Croswell is an icon we both think makes the community better and I like that we can share in that."

Like Adams and Force, many Brazeway employees become involved with the Croswell because they have family members who love theater. Adam's son, Cooper, 16, has been in nearly 24 shows. Adams joined him on stage in Oliver [Twist]. When his daughter, Jaqueline, 22, was stage manager of Billy Elliott during her senior year of high school, Adams joined the show as an extra to spend more time with her. "My dad just waltzed right in and became a part of this community of actors and singers as if he'd been there the whole time," says Jacqueline. "He fit in seamlessly. As a bonus, he always came on time and knew all of his lines." Jacqueline's work at the Croswell inspired her to pursue a career in theater. She recently graduated college with a degree in stage management and technical theater. "Without the Croswell, it would have remained a hobby," she says.

And Jacqueline is not the only one. Jere Righter, the theater's artistic director, proudly notes that a remarkable number of people who started at the Croswell have gone on to achieve great success in the arts. An Adrian-native, Righter supported her theater degree by working summers on the factory floor at Brazeway. "The Croswell wouldn't be the organization we are without Brazeway," she says.

Despite being a nonprofit with half the resources of major production houses, the Croswell puts on ten to twelve big-name shows each year and is consistently voted one of the region's top theaters. "Our budgets are small," says Righter. "We start with an empty stage and build everything here. That takes a lot of thinking and planning." A professional theater would have 25 people to figure out how to put Chitty Chitty Bang Bang in the air, notes Righter. She had the brains of Brazeway's Senior Programmer Analyst, Salu Joseph.

"Without much notice I was asked if I could help get the Chitty Chitty Bang Bang car to work," recalls Joseph. "I found the controller board on the car and realized that the programming language was similar in syntax to the 'C' programming language that I used at the UT school of engineering. Using a programming platform on a laptop I was able to understand the code, test, recompile and correct the problem. We had the car working in about three hours."

To execute a successful production typically takes between 100 to 125 people, says Righter. "We couldn't do it without Brazeway," she says. Brazeway employees have had roles of all sizes, from the lead in Singing in the Rain to volunteer ushers and backstage costume designers. Mel Herbert, Brazeway's Director of Manufacturing Engineering found himself unexpectedly playing the role of costume designer when Righter walked into his office with a box of tin, leather pieces and a pair of old silver boots. "It was the remnants of a Tin Man costume and she told me the actor couldn't move in it," recalls Herbert.



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It's a really special and unique opportunity for people to be able to play as an adult. That could be acting on stage or it could be stretching your brain by figuring out how to make a car fly. The people at Brazeway are just the cleverest. And they are unmatched in their willingness to help others.

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—  
Jere Righter  
Croswell Opera House  
Artistic Director

The tin had cracked, and pieces of the costume were no longer connected. "I realized if an actor needed to move around in this costume, the elbows, shoulders, knees and ankles would need to articulate," he says. Herbert used bolts with lock nuts set loosely as hinge pins that allowed each piece to pivot without restriction and shot all of the tin with galvanized paint to match the original. "At Brazeway, we strive to improve the form, fit and function of the products we produce," says Herbert. "The Tin Man was an extension of this." The costume looked and functioned so well Righter was able to later rent it to other theaters.

When the curtain goes up, Brazeway employees may not consider themselves part of the show, but Righter notes their contributions, whether moving props to storage or helping backstage, is what has made the theater such a success over the years and is what keeps Brazeway on the edge of innovation. "It's a really special and unique opportunity for people to be able to play as an adult," says Righter. "That could be acting on stage or it could be stretching your brain by figuring out how to make a car fly. The people at Brazeway are just the cleverest. And they are unmatched in their willingness to help others."



Watch a video about Brazeway



# GAME CHANGERS

How **four powerful women are breaking down barriers** and reshaping the future of Axel Johnson with larger roles and louder voices.



The fourth-generation member of her family — and the **first woman to ever take the helm** — Antonia Johnson was just 33 when she was tasked with ushering in a new era for the Axel Johnson Group. Nearly 40 years later, she has infused her unflappable morals and ethics into every part of the business — doing what’s right for everyone she works for and with — while **championing innovation and diversity**.

**“What we do and the products and services that we sell, take a place in everyday lives of many, many people,”** says Johnson. “A family-run company is a very special entity and can be a force for change in a society.”

Here, the next generation of female leaders within the Axel Johnson family share their stories — the challenges they’ve overcome and the initiatives they’re launching to keep Antonia’s legacy of fearless determination and thoughtful leadership alive and well.



**Shana Hoch**  
Managing Director, Marketing & Customer Experience  
Sprague Operating Resources LLC

In her first career, Shana Hoch, worked her way up the ranks of the newspaper publishing industry. A colleague recommended her for the role of vice president of digital media and the president of the company offered it to her, but under a more junior title. She said no thank you. “It was a difficult decision, but it made me realize my value,” she says. “If my colleague leaving the job thought I could do it at a VP level, I shouldn’t have a lesser title.” The hiring team relented. They gave her the VP title and she took the role to the next level. But not without help. “A large part of my success had to do with other men and women fighting on my behalf,” she says. “It made me realize the value of a mentor network.”

In 2013 she was hired at Sprague, one of the largest independent suppliers of energy and materials handling services to the Northeastern U.S. and saw an opportunity to become a role model to her female colleagues. In February 2020, colleague Alysha Hintz, a system analyst, approached Hoch about forming a Women’s Network as part of the company’s innovation initiative. “She said she’d do the heavy lifting but asked if I could mentor and support her,” says Hoch. The initiative was met with tremendous support. To date, they’ve hosted panel discussions on everything from advocating for yourself to networking.

**Best Career Advice:**

The best way to know and trust your value in the workplace is to build self-confidence. Although we all want to work on our weaknesses, it’s equally, if not more important, to enhance our strengths. By investing in your strengths through experience and professional development, you can better identify and respond to situations where your value is questioned.

It’s not unusual for Hoch to be approached by women who say they feel stuck in their roles. She’s also had male employees confide they need help initiating change in their departments. “Earlier in my career, I was less likely to ask for advice or support from others,” she says. “But I have learned there are people who want to help you as much as you want to help them. You need advocates for your career and personal growth. I have a responsibility in my position to fight for people sharing their stories with me. If you’re in a position of power and see something you can change, you need to take ownership of it and help make it happen.”

Sprague’s Women’s Network is open to men and women and even their president, Dave Glendon, has attended. “He’s been a huge advocate,” says Hoch. “He’s always willing to listen and realizes that in order to have an innovative company you need to have an innovative culture, which means building trust with our employees. Trying to get an organization to change its culture is a big ask but the work we’ve done over the past three years is impressive.”



Watch a video about  
Shana Hoch



**Sally Sarsfield**  
Axel Johnson CFO

"Many big organizations hire a large number of women and then lose them along the way. I'd like to see more openness to hiring people who have been home for a number of years with their kids. Not only do these women have enormous experience but their decision to return underscores their commitment to a company."



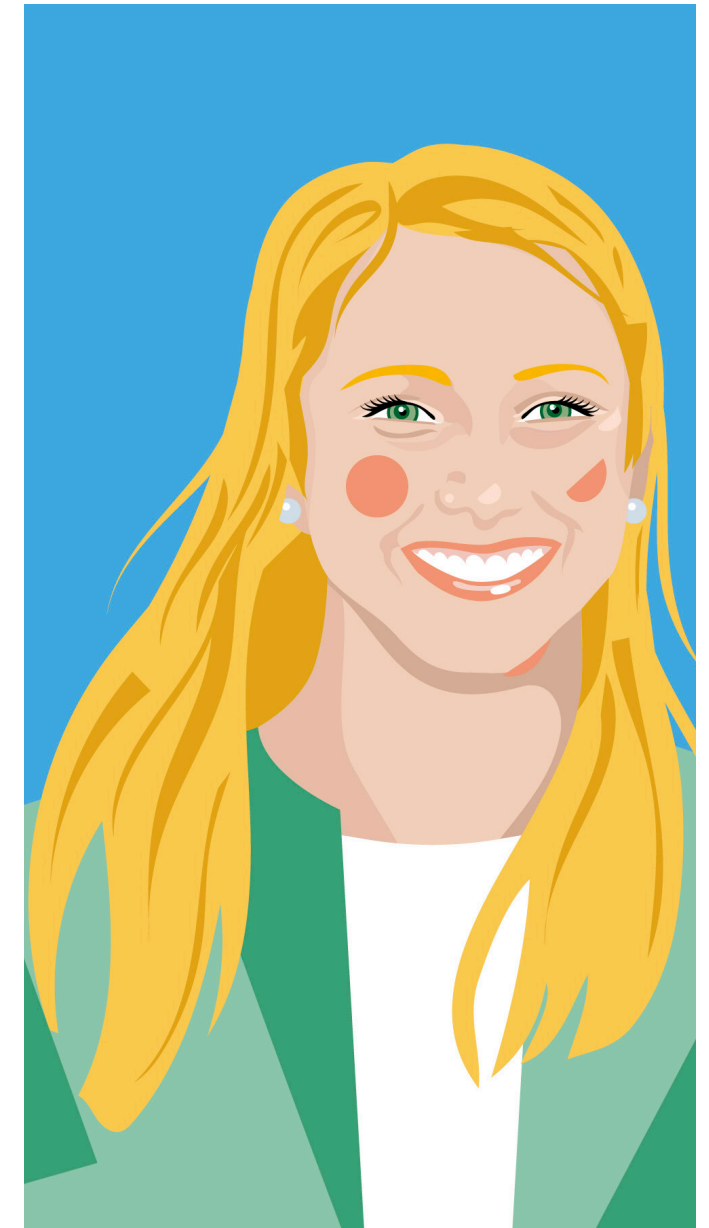
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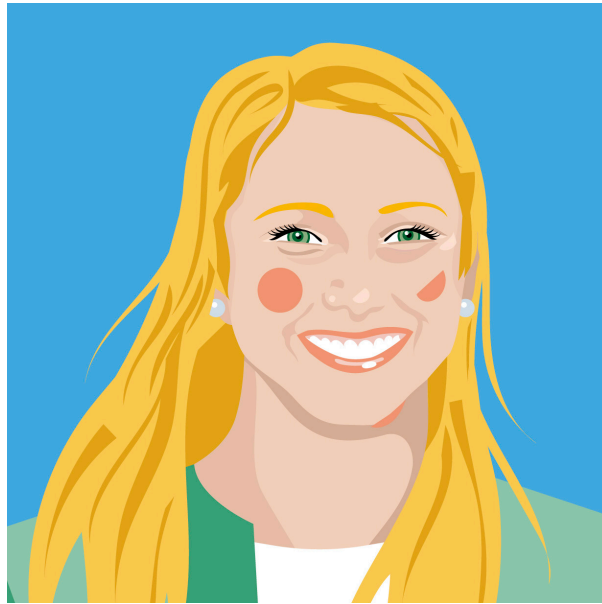
**Suling Huang**  
VP and CFO of Parkson

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**Aly Myszewski**  
Systems Engineer | HighRes Biosolutions

"I realized other women could use our advice on how to navigate the ins and outs of working at a male-dominated company," she says. "So I decided to do something about it."



**Aly Myszewski**

Systems Engineer / HighRes Biosolutions

Aly Myszewski hopes more young girls will have fifth-grade yearbook profiles that mimic her own. "I always knew I wanted to be an engineer," says the 25-year-old systems engineer at HighRes Biosolutions, a company that designs and builds robotic systems and lab devices for pharmaceutical and biotech companies.

While women make up less than 25% of the STEM workforce in the U.S., Myszewski never saw her career path as unusual. "I credit going to an all-girls high school and having a mom who was the head of the household with my becoming a confident, capable woman," she says of her decision to pursue biomedical engineering at Boston University. But as a teaching assistant, she realized many of her female peers didn't share her confidence. "A lot of men had the loudest voices in the classroom and women were less inclined to share," she recalls. "I made sure as a TA I engaged the quieter individuals."

When HighRes showed up at the BU job fair with a robot, Myszewski was intrigued. She joined their product development team in June 2018 and quickly transitioned to the systems engineering team.

For months, Myszewski was the only female engineer on the team. When a second woman was hired, they quickly bonded. "I realized other women could use our advice on how to navigate the ins and outs of working at a male-dominated company," she says. "So I decided to do something about it."

Last spring, she launched the HighRes Women's Network to help the 30 women within the company find a sense of community through networking events and mentorship programs.

Future Career:  
Engineer

Hobbies:  
Robotics

**Best Career Advice:**

Actively seek out or create your own network of women in the workplace. I think it is crucial for women in male-dominated fields to have the support system and resources that come from building relationships with female colleagues both at their own companies and within the industry.

Hannah Blakely, an associate liquid handling applications engineer at HighRes, says she was thrilled and relieved to learn about the women's group shortly after she was hired. "Aly did a great job of encouraging everyone in the group to have open discussions, some purely informational, but others about how to advocate for ourselves," she says. "The women's group has been a source of advice and inspiration for my future."

Allie Rishmany, a mechanical engineer at HighRes, says the Women's Network has helped her realize her worth, personally and professionally. "Aly was one of the first female engineers that I met when I started, and at that point we were the only female engineers on our direct teams," she says. "Since then, I've looked to her for advice - ranging from salary negotiation, career next-steps, and simply how to deal with the daily experiences of being a woman in STEM. Now with the Women's Network, we can have these conversations and take action with the larger community of our female peers, which will ultimately lead to a culture of female success at all levels."



Watch a video about  
Aly Myszewski



**Suling Huang**

VP and CFO of Parkson

Suling Huang still remembers her first meeting with Antonia Johnson. "I showed her my son's photo and she asked what my plans were after work. I told her I had a dinner date with my husband," she recalls. "Antonia said family is most important."

In 1999, Huang left her job as an analyst at China's first investment banking firm and moved to the U.S. with her husband, Weibin Cheng, who had taken an engineering job in the Boston-area. Not wanting to return to the banking world, she enrolled in an MBA program at Boston University and concentrated on corporate finance. She gave birth to her son, Sean Cheng, in 2004. Once he was walking and talking, she started to look for jobs and was hired by Sprague as a senior financial analyst.

Huang is not one to get comfortable in a position. "I didn't want to sit in a back office," she says. "I wanted to be on the front lines and understand how the business was run and how I could help the company grow the bottom line." After four years she was transferred to Sprague's natural gas group and played an integral role in three acquisitions. After seven years, she was ready for a new challenge. In 2017, Sprague acquired Coen Energy and Huang jumped at the opportunity to be their finance director, even though it meant relocating to Pittsburgh. "We quickly brought a small mom and pop business up to the public company standards," she says. "It was very rewarding to see that transformation."

But the professional growth didn't come without sacrifice. Huang's husband and son, now a junior in high school, remained in New Hampshire. For the last three years, she has commuted back and forth every other weekend to see them.

**Best Career Advice:**

As a wife and mother trying to advance in your career, you need to make decisions jointly as a team; always plan ahead, keep your promises and communicate, communicate, communicate. And remember, your success depends on the success of everyone on your team. Our job as a manager is to provide the resources, support and tools for everyone to be successful.

"My husband is a brilliant software engineer, and he chose to take a back seat in his career to focus more on our son so I could pursue my career," she says. "He has been spending time teaching Sean how to cook Chinese food, do laundry and clean his room. They would even make dinner together and surprise me when I got home on weekends."

After nearly 15 years with Sprague, Huang recently accepted the role of VP and CFO at Sprague's sister company, Parkson, a leading provider of equipment and advanced solutions in water and wastewater treatment in Florida. "My family and I came to the agreement that it was a great opportunity, so we made the move together," she says. "I've always aspired to be a CFO and to have the opportunity to do it within the AII family was a no brainer." Huang credits her career trajectory from financial analyst and finance manager to director of finance and now CFO to a management team willing to listen to her goals and challenge her to achieve them. "I always had leaders who were open to communication and willing to give me a chance," she says.

"If you do a good job, people will see and then push you a bit," she says. "Trust is everything and Frank Easton, the former Sprague HR VP, and his successor, Gillian Tierney, have been huge supporters always encouraging me to overcome barriers." Huang admits, working in a male-dominated environment can be intimidating, but she's learned to trust her knowledge and experience. "I may speak softly, but I speak firmly and have all of the facts and data," she says. "I may look different from the majority of the people in the room, but I also have the confidence that I know what I'm talking about."



**Sally Sarsfield**  
Axel Johnson CFO

Sally Sarsfield has never let being a woman hold her back from getting ahead. She had a role model in her older sister who earned a PhD in chemistry and went on to become head of exposure research at the EPA. "My parents never made us feel like being a female was any sort of impediment," she says. A high school teacher turned Sarsfield on to all things science and she went on to pursue a degree in biology at the University of Virginia and then devoted a year to studying molecular genetics at the University of Chicago.

"As a kid I thought I'd become a vet and then a doctor but realized I didn't have the calling to heal," she says. "I pivoted to molecular biology and it was fabulously interesting, but I figured out that I didn't want to spend years and years studying single gene systems." So, she dovetailed. Combining her interest in science and medicine with a career in business that included stints at RA Capital Management, a healthcare-focused equity investment fund and BlueStar Capital Management, a fund of funds firm also in the healthcare sector.

But working her way up the New York corporate ladder wasn't as daunting as hitting pause to devote seven years to raising two children. "It's scary to wonder how you'll eventually step back in," she says. "Many big organizations hire a large number of women and then lose them along the way. I'd like to see more openness to hiring people who have been home for a number of years with their kids. Not only do these women have enormous experience but their decision to return underscores their commitment to a company."

### Best Career Advice:

Don't be afraid to step out — and step back in.

Sally joined Axel Johnson in 2010 and took on the role of Chief Financial Officer a couple of years later. She also serves as a Director of Sprague, Brazeway and Mountain Lumber Company. "I say I have the best job in the world," she says. "I couldn't ask for a better group of colleagues and there's never a dull moment. We work across a variety of industries and learning their ins and outs definitely keeps me on my toes."

Sally has always believed she's a valuable employee — rather than a valuable female employee. As a result, she expects opportunities not special treatment. And she's embraced a leadership style that spans stereotypical gender roles, sometimes being more straightforward and directive and other times a more empathetic and collaborative. "I know I can sometimes be combative but I try to balance that with a sense of humor," she says. "When I'm hard or direct it's not personal. I rely on my teams to get things done. It's my job to bring them together and bring out the best in each of them."

Sally admits that Axel Johnson's core industries, such as engineering and energy, have found it challenging to attract women and supports the newfound networks in Sprague and HighRes that create connection and community. "I think the annual offsite meeting has been a great way for women to come together within our organization across all businesses and share their journeys," she says.



**Cathy Bushek**  
HRBP & Senior Safety Manager at Kinetico  
Career Tenure: 37 years

### Who have been your biggest mentors and how have they encouraged you?

I have had many mentors over the years — Ned Sherry, John McLoughlin and Laurie Hildebrand to name a few. And while these executives have played an integral role in my professional growth, the many manufacturing employees — with their constant questions and ever-changing challenges — have made me a better leader.

### How do you encourage women within the AJI community to grow within the company?

Every experience will have its ups and downs. You get out of your career, what you put into it. I am a huge advocate for Kinetico's Educational Assistance program, providing prepaid classes for Associate and Bachelor degrees in a variety of disciplines related or unrelated to an employee's job responsibilities. I recently helped an employee working on our manufacturing floor use the program to go back to school and become a nurse. She had a dream, was willing to put in the work, and achieved it. It was extremely rewarding to play a part in her success.

### What is the best piece of advice someone has ever given you?

I have a Will Henry quote that has hung in my office since the beginning of my career. "The wishbone will never replace the backbone." It's a reminder that you must work hard to achieve your dreams. And if you do that work, then don't ever doubt your abilities. You are good enough.

### Many Axel Johnson employees commented that the companies feel like a family. What makes a family-run company special in your opinion?

Most people (myself included) spend more time at work than at home. And while I treasure the time I have with my family, Kinetico has become my second family. Working within such a close knit community that values and supports me has made for a wonderfully rich and rewarding experience.



# THE ROAD LESS TRAVELED

**Edward Martin delayed a college degree** to pursue ski bumming, mushroom foraging and a bikepacking adventure that took him from California to Guatemala. Defining experiences that **unearthed a passion for sustainable design** and paved his path to project manager at **Walk2Campus**.

Mushroom farmer. Ski bum. National Outdoor Leadership School alum. Nature Conservancy employee. Sustainable design entrepreneur.

Any ordinary CEO might balk at Edward Martin's untraditional resume. But Matt King, CEO of Walk2Campus, a company that builds sustainable housing within walking distance to major universities, saw something else. Something valuable. An employee with robust life experiences and a willingness to "embrace the unexpected."

Martin, now a 45-year-old, Nashville-native eschewed the traditional trajectory of high school, college, grad school, and desk job for life outside and on the road. From living in a cabin in the hills of Montana for a year without running water or electricity, to bikepacking solo from San Diego to Guatemala, his adventures have taught him important lessons about will and skill which he now applies to his nearly decade-long career with Walk2Campus.

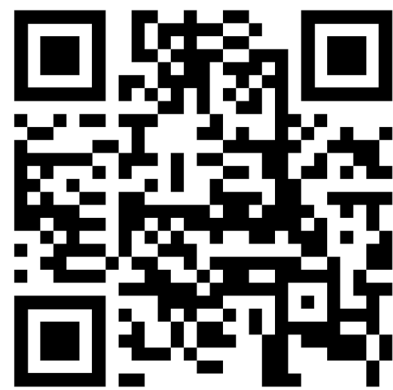
Here, he shares his greatest takeaways from the journeys that have helped shape him personally and professionally.

# BIKEPACKING FROM SAN DIEGO TO GUATEMALA

## Bikepacking

In his 20s, Martin embarked on a month-long bikepacking trip (a combination of biking and camping) with little more than a guidebook, bedroll, five-gallon water buckets, a camp stove and his bike. Misadventures ensued. When his bike pedal broke just north of the Mexican border, he jerry-rigged his foot to the crank with duct tape, cycled back to San Diego and found a bike shop willing to cut him a deal on a new pedal. In Tijuana, he found himself lost and being chased by stray dogs. With limited Spanish, he relied on the kindness of strangers to find his way.

**Takeaway:** "Throughout the trip, I kept coming across people that were willing to help and share their stories," says Martin. "It reminds you how great people are, and it was important for me to learn as much as I could about them. We all share commonalities no matter how different our backgrounds. I use that now as a project manager for construction jobs to relate to as many people as possible. It makes for a better project."



Watch a video about Edward Martin from Walk2Campus



## Mushroom Farmer

Martin worked a stint at Garden City Funghi, a farm just west of Missoula, Montana that grew organic shitake, lion's mane, oyster and nameko mushrooms. Fresh mushrooms were sold to local restaurants and inoculated blocks were sold as growing kits. "It was a fun and fascinating job," he recalls. "I was so into it that even after a day of picking mushrooms at the farm we'd go to the Nine Mile Valley and pick morels."

**Takeaway:** "It takes a lot of work to grow a business and to be successful. Your employees need to be just as committed as you are. The owner, Glen Babcock, was always good at finding people interested in the work and passionate about what we were doing."

## Sustainable Design Entrepreneur

Martin met his wife while they were attending architecture school at the University of Tennessee. After graduating they both took jobs in Portland, Oregon, bought a home and fixed it up using sustainable building materials. Upon returning to Nashville in 2008, they realized the city lacked sustainable building resources and opened a supply and design store, Inhabit, to fill the void. When the recession hit, they tried to refocus their efforts on design but developers in Nashville were building at the bare minimum. "There just wasn't enough education on sustainable building," he says. He used his last dollars to buy a site in East Nashville and with the help of two partners, built five LEED spec homes with the goal of getting them published in as many outlets as possible.

**Takeaway:** "Education is key if you want people to follow a more sustainable building path. If people don't know that there are more sustainable options, there is no way for them to understand how to improve what they are doing."

# PROJECT MANAGER AT WALK2CAMPUS

As a project manager at Walk2Campus, one of Martin's key jobs is to motivate teams of varying backgrounds, from mechanical engineers and architects to interior designers and contractors, to work harmoniously. "We're a company that hires based on values and we choose people that other people love being around," says King. "Martin's charisma and ability to connect with people from all walks of life has helped him excel on difficult projects and in challenging circumstances, like the coronavirus pandemic." Today, Martin oversees a 10-person team transforming a former YMCA in Chattanooga into a new social club called Common House. The project construction started in March 2020, just as the pandemic was unfurling across the country.

**Takeaway:** "If you make everyone on the team feel like they have a voice and empower them to use it, then communication from start to end is seamless. Working through COVID-19, I made sure communication was key with our team. If you wait too long to speak up the project suffers. Our mechanical engineer told me this was one of the most collaborative sites she's worked on and that says a lot. When everyone understands the end goal and sets their ego aside, that's when you have the most success. It's been amazing how our contractors have brought in safety practices and how the team has been able to still come together for the May 2021 opening."

“

We're a Company that hires based on values.  
We search high and low for individuals with high degrees of grit and resilience. **We choose people that other people love being around.**  
We look for folks willing to fully embrace the unexpected.  
As a general marker, we've found that folks like this have varied and robust life experiences before they land with W2C.

”

—  
Matt King  
CEO of Walk2Campus

# THE RIPPLE EFFECT

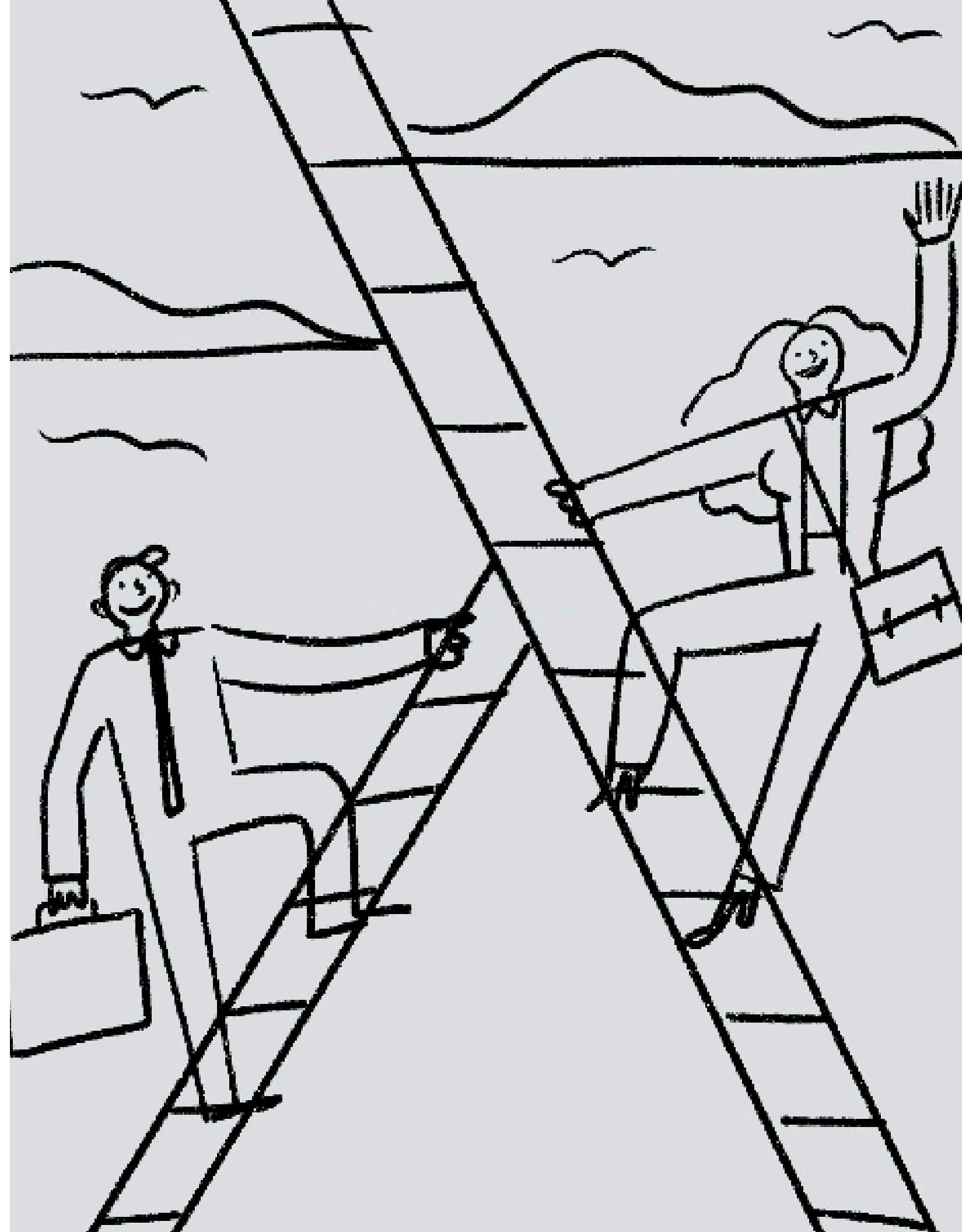
From the plant floor to the C-suite, the many faces of Axel Johnson credit **upward mobility as the company's unique north star.**

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Whether it's bonding over a Ragnar relay race with Parkson colleagues, an internship for a daughter at Walk2Campus, or being presented with the decision to live abroad while advancing a career at Brazeway, opportunity within Axel Johnson's family of companies may take on vastly different life pivots. Yet one common thread remains:

**"There's always a way to take the next step"**  
says Omar Gadalla, Director of Sustainability and Corporate Communications.

How so?  
The unique career trajectories of these five AJI  
employees are genuine case studies.





## CHUCK FORCE

Vice President of Administration,

Brazeway Incorporated

Career Tenure: 27 Years

From bartender to vice president, Chuck Force knows a thing or two about adaptability. Gregarious, witty, and transparent, the father of two is quick to jump at opportunity though he's discerning in his decision making. He attended the same high school as former Brazeway CEO Stephanie Hickman Boyse, which is how he learned of the company—first as a bartender for Hickman family events and later as a college grad recruited to join their team. Force has stayed with Brazeway ever since, climbing the ranks in various roles and even relocating to Monterrey, Mexico, along the way. He's also earned his Six Sigma Blackbelt Certification and an MBA from Michigan State University during his 27-year tenure. Today, as the Vice President of Administration at Brazeway's Michigan headquarters, Force continues to play an integral role in the company's longevity and culture, overseeing human resources, procurement, IT, and corporate quality. "I've never worked for anyone else," Force says. "Brazeway has a lot of different areas to work in, and I enjoy that diversity. The Hickman family like Axel Johnson believes in community, philanthropy, professionalism, and culture. They've always said, 'It's not about optimizing every single dollar. It's about finding somebody like us, that cares about the business and community we're in.'"

**Recipe for Success:** "An openness to try new things. Living abroad in Mexico and earning my MBA from Michigan State were pivotal. Both required personal and professional sacrifice. You have to have the desire and interest to give it a go and then deal with the things that come out of it. You're eating Thanksgiving dinner but doing a paper in between half time of football games. It's sacrifice, interest, and desire. Those are important facets to where I am today."

**Never Thought I'd:** "We had my daughter in Monterey, Mexico. It was an amazing experience and benefited us as a family and me professionally. It really was a true blend of personal and professional learnings. When you can truly immerse yourself in a culture, it changes your outlook and world view. We also did an acquisition while there and grew the business significantly."

**On Mentorship:** I've had the opportunity to work for a lot of great people at Brazeway. David Gasson was an early-on motivator for me. And Stephanie Boyse certainly gave me guidance. Our current CEO, Terry Sheehan, was really helpful in pointing me toward the MBA. And peers such as Jeff Adams, who I work alongside now, have been really helpful, too. While there's no formal mentorship program at Brazeway, there are a lot of opportunities to have those conversations."



## Key Takeaways:

"I've been able to see what we do tactically and strategically from all different angles, and it's helped me be proactive. I can guide and coach because I can say, 'I've been there before, and this is what they will worry about.' It's also helped me have compassion."

—  
Chuck Force

## Key Takeaways:

"I don't shy away from talking with people — even if they are angry or upset. I listen. Walk2Campus has taught me how to be more patient, to be light about life. And when things feel overwhelming, I've learned how to better manage my time."

—  
Lateefah Graves



## LATEEFAH GRAVES

Utility Specialist, Walk2Campus Holdings

Career Tenure: 10 years

Lateefah "T" Graves was just 30 years old when she discovered Walk2Campus. After applying for an accounting position while her predecessor was on maternity leave, Graves' talent and, most notably, enthusiasm, was quickly acknowledged. The result? Her original temp job evolved into a full-time career path. Graves has now spent 10 years with the company, crediting its think-outside-the-box mentality and family-first culture to her continued success. "I brag about my company all the time," Graves says. "When I come to work, it's not just because it's what I do for a living, but because I love what I do. And if I have a personal challenge—from finding a space for my daughter's after-school tutoring to shipping military supplies to my brother fighting in Afghanistan—I've had the backbone of Walk2Campus behind me. They always support me."

**Mentors:** "One of the greatest things about this company is its executives—the CEO and CFO are always available to you. If I have an issue, I don't hesitate to reach out—it's like talking to a family member. With the bigger companies you don't have this access. At Walk2Campus, everyone is hands-on and ready to help you."

**Company DNA:** "Positivity, openness, and dependability. We genuinely care about each other and acknowledge personal and professional success. And we celebrate everyone's birthday. Every year we are acknowledged."

**Paying it Forward:** "Right now we have a young man, an international student named Diego, working for us. My door is always open, and I told him when he started, 'No question is a dumb question.'"

**Never Thought I'd:** "See my daughters working alongside me. Walk2Campus offered my oldest daughter a paid summer internship. She worked two summers with us. My youngest interned with W2C as well."

**What's Next:** "I know exactly where I want to be. The utility side has been my baby, and eventually it will be larger. So I want to be a supervisor and help that facet of the business grow."

## PHILLIP MILLER

Production Manager, Brazeway Incorporated

Career Tenure: 22 Years

The old adage, "Ask and you shall receive," catapulted Phillip Miller from a Brazeway line worker at age 20 to—22 years later—production manager. Moving from the unemployment office to the Brazeway floor, then driving forklifts for nine years prior to his current role, Miller has never shied away from sharing ideas or taking on extra responsibility. "I started going through all the lines and different processes from a production standpoint so I could keep my mind engaged, and that was the first step," Miller says. Many steps later, he's months away from completing his bachelor's degree while maintaining the same level of intellectual curiosity as when he first joined the company. "I've always been into jigsaw puzzles," he says. "That's kind of what I see my role as being: I know all the pieces and what they mean, and I have to figure out a way to put them together."

**Paying it Forward:** "We're looking for and identifying people who want to learn. I was at Brazeway for 19 years before I became a manager. I was always patient, never discouraged. I always tell people, just because you don't have a title it doesn't mean you can't deliver more and put yourself in a position that if a door opens, you can slide right in. Brazeway likes homegrown talent. They like to see success from within, promote, and recognize that."

**Never Thought I'd:** "Through all of this, I didn't have a degree. It's something I always wanted to achieve, and then life happened. I just got my associates degree in December 2019. Brazeway made it a requirement. They said, 'We're going to invest in you.' With that encouragement, I've now put 33 hours this year towards my bachelor's degree—while also being a plant manager, father, and husband—and I'll graduate in July of this year."

**What's Next?:** Logically, it's plant manager, and that's what I'm preparing for. My current plant manager knows it's my goal and he's providing the opportunity to learn alongside him so I can prepare for that position, too."



### Key Learnings:

"Be patient, make yourself valuable and ready for an opportunity. Always operate in a manner that's professional. And treat people with respect."

—  
Phillip Miller

### Key Takeaways:

"To continuously seek to understand a situation or issue from another person's point of view. It can be really hard to do, but it has certainly advanced my career. My best ideas come from when I look at a topic from a completely different vantage point. It allows me to think more broadly and helps me develop the business over time."

—  
David Long



## DAVID LONG

Chief Financial Officer, Sprague Resources LLP

Career Tenure: 23 years, between Sprague and Kineticco Incorporated

David Long has pivoted between two AII companies during his journey to the top. After graduating from business school in June of 1998, a friend told him about Sprague, and while he hadn't originally envisioned himself at an energy company, serendipity turned into opportunity. As he moved between Sprague Energy and Kineticco Water Systems in various roles—growing his family and obtaining a master's degree in finance along the way—one guiding principal anchored his success: a willingness to take risks. "Axel Johnson, along with Sprague and Kineticco have, to my good fortune, provided me with opportunities to expand, learn, and build on my capabilities and interests," Long says. "It would have been easy for them to say, 'we want to find someone more senior,' but instead they committed to my development and believed in me as an employee—that I could provide value over two different companies for more than 23 years."

**Mentors:** While Long points to Axel Johnson's President and CEO Mike Milligan as a longtime mentor, he adds, "a collection of people pushed me out of my comfort zone. I was advised to take risks and try new things, and that led to my own growth and development. I'm a reasonably ambitious person, but relationships were critical."

**Growth Mindset:** "I was at Kineticco for 11 years. The honeymoon was short, as I arrived in February of 2008 and the financial crisis hit later that year. It was a tough time to walk into the business, but it was also a tremendous learning experience. It helped position the business for the success it's having today."

**Advice to the Next Gen:** "Maintain a growth mindset, commit to continuous learning, and don't be afraid to push beyond what's comfortable. I've made the most progress in my career by seeking knowledge and perspective from others and pushing myself to try new things, despite some uncertainty."

**Paying It Forward:** "I'm at a point where I am more actively trying to avail myself as a mentor to some of the younger folks in our organization, knowing that was important in my own career. So, I allocate my time to make sure I'm engaging some of our newer, younger employees. I try to be helpful as they navigate their own opportunities, interests, and development."



←  
Watch a video about  
David Long



## Paying it Forward:

“There are people on the factory floor that might not realize there is no limit to what they can do. We want to find that. A big part of that is educating them about the other companies and telling each other’s stories. AJI is as close to family as you will ever get, and it’s not just window speak. It’s for real.”

Omar Gadalla

## OMAR GADALLA

Director of Sustainability and Corporate Communications,  
Axel Johnson Inc.

Career Tenure: 6 Years at Parkson Corporation,  
2 Years at AJI

It was during a grueling running relay called the Ragnar that Omar Gadalla’s ingenuity piqued AJI CEO Mike Milligan’s interest. “We had 12 runners. So, I suggested we put everyone into a spreadsheet, calculate the distances, along with their suspected pace, and pinpoint exactly where each runner was going to be at any given time,” he says. “Then, instead of spending 48 hours in a stinky van, we could shuttle back and forth from our hotel rooms. With showers. And sleep.” All of which gave the team a competitive edge—something Gadalla has fostered throughout his career whether applied to winning a race or creating award-winning videos on wastewater treatment (Parkson’s YouTube channel grew from 100 to 1,500 subscribers in a span of two years, peaking with 110,000 video views in 2018). Raised by a single mom who cleaned homes for a living, Gadalla explains, “I was always into art and music, but growing up below the poverty line, that wasn’t a way out, so I went into engineering.”

After paying his way through college, Gadalla initially started out as a consultant but quickly realized he desired more autonomy. “I needed to find something where I’d be in charge of myself or be in charge of something,” he says. “Parkson had a product manager role for one of their products, the Rotary Drum Thickener. When I interviewed, Mike Miller, who was a VP there at the time, said, ‘The one thing you can do to get yourself in trouble is not doing it, not trying.’ It felt like the leash was taken off.” Gadalla spent more than six years at Parkson, wearing both product manager and marketing hats before joining AJI’s leadership team at their NYC headquarters in 2019. Today, as Axel Johnson’s Director of Sustainability and Corporate Communications, Gadalla is responsible for connecting employees to the company’s unique DNA, while also overseeing sustainability efforts and AJI marketing initiatives. Just what makes upward mobility unique at AJI? “Anyone in the company can have access to the leadership,” explains Gadalla. “And not just walking past them or meeting them once, but an ability to really show, ‘This is what I can do.’”

**Secret to Success:** “If there’s something you want to run up the flagpole, there’s nothing stopping you, no matter who you are. You have to present your idea, but if you think we should do something differently, do the homework, build the plan, and it will absolutely get looked at. And if it makes sense, it will get done.”

**Mentor Moment:** “If Mike Milligan is talking to you, you’re the only person he’s talking to. He never looks at his phone or his computer. I was really impressed with that. Now that I’m in a leadership position, I try to model that as much as I can.”

**Key Learnings:** “A big part of moving up at AJI is creativity. Look around you. Look at how the business is working. Look at how the factory floor is operating. Look at how the mailroom works, how the computer systems are operating. And then don’t be afraid to ask questions. That intellectual curiosity will lend itself to creativity. If you continually ask these questions, things will come to life. AJI leadership never stops asking questions either. That intellectual curiosity is a trademark of what makes us successful.”



## Overcoming division, one conversation at a time.

**How a Brazeway plant manager bridged the divide during a divisive year when tensions were high by simply opening his door.**

When the Black Lives Matter protests developed around the country last summer, **Steve Wilson** saw an opportunity. As the plant manager for Brazeway in Hopkinsville, Kentucky, Wilson oversees roughly 125 employees of diverse racial backgrounds, many of whom are Black, just like him.

He knew the issues arising needed to be addressed, but instead of setting up a formal corporate training on racial sensitivity, he opened his door. Giving employees a simple space to talk.

“More or less, I was just doing what I would want someone to do for me,” he says. “Giving them a platform to vent if they needed to vent, a place to talk if they needed to talk, and maybe even to cry if they needed to do a little bit of that too.”

The approach worked. Even when tensions and divisive rhetoric were at an all-time high outside of Brazeway, Wilson says plant employees coming from different backgrounds with varying perspectives, maintained respect and understanding for each other.

**Never Thought I’d:** “At AJI we hold a ‘fika,’ or a Swedish coffee break, once a week for an hour. The whole idea is like a family Thanksgiving dinner, where nothing is off the table as far as discussion: religion, politics, relationships. The point is we can get into really heated debates, but in a very respectful way. And when it’s over, we move on. If we could have AJI-wide fikas, that would be amazing. It’s definitely a vision moving forward.”

A notable achievement. In fact, Wilson’s acknowledgment of diversity and his ability to listen was key, says Dr. Laura Gallaheer, founder of Gallaheer Edge, which specializes in human behavior science in professional organizations. “When you can focus on inclusion, treat people with respect and create a sense of belonging, that’s when you get the absolute highest level of performance.”

It’s not just a task for managers, however. Here, Dr. Gallaheer shares her tools for strengthening communication in the workplace and at home:

First, **look for common ground.** “2020 was a tough year because the differences between us were exaggerated, politicized and polarized,” says Gallaheer. “So, the perception of the gap that exists between us today is actually much greater than the true gap. Actively looking for the ways we’re similar is a powerful tool. Those topics can be as simple as music, television or food, but bonding over shared universals is a good way to find commonalities with other people.”

Second, **listen like it’s not about you.** Instead of “defensive listening,” which means that people sometimes hear things as threats and personalizations, try “active listening.” That means listening to others with the goal of learning about them. Two ways to do this are to respond with, “Tell me more, I want to understand,” so that you’re creating space for the other person. And paraphrase back with what you heard. That could be: “It sounds like you believe this, and you feel this way,” to acknowledge what they said.

Finally, if there has been a conflict, **then resolution is critical.** “Recovery is really powerful and important,” says Gallaheer. “Having a powerful recovery conversation actually can bring two people closer together than two people who have never experienced conflict. Don’t pretend to have artificial harmony. Instead, having a recovery conversation shows you value the relationship and are willing to put in the time if it goes sideways.”

While Wilson says there was never a need for recovery conversations between two coworkers at the plant, his individual check-ins allowed him to keep a pulse on the team. And while he doesn’t attribute his leadership to any specific training, he acknowledges that his mother played an integral role in shaping his communication style.

“She approaches most people as family,” he says. “And that respect and openness makes a difference.”



# A Sea of Competition

**The little fish with big dreams** — how **Parkson** emerged from a converted gas station to an **international powerhouse**



Ask Parkson's former VP of Sales and GM Municipal Business Mike Miller the key to his 40-year career, and he'll quickly emphasize, "It's all about relationships." What started as a small, six person group operating from a converted, two-room gas station in Fort Lauderdale has become one of the most profitable and reputable wastewater equipment manufacturers in the industry. How? Ambition. Innovation. Persistence. And a young team in their late 20s who forged a company culture akin to an extended family.

Originally envisioned in the early '60s by two men, Palmason, and Parks of Parker Pen Fame, Parkson (the combination of the two aforementioned names) was acquired by Axel Johnson Inc. in 1967. Parker provided the capital and Palmason the idea; which was selling evaporators to the orange farming industry.

"When I came [to Florida] for that first interview, our building was a glorified gas station—one long building right next to railroad tracks, and trains came several times a day." Yet, like the trains behind its ramshackle headquarters, the company's young team picked up speed. "When we started out, we were unknown in the industry," Miller says. "We had a high probability of not succeeding. Most of our talent (risk-takers by nature) had to relocate from somewhere else. At the same time, Axel Johnson didn't mettle - they gave us the freedom to make decisions that were best for everybody in the long run, even if it negatively affected the short term. They were the perfect partner."

"Axel Johnson had a home in Naples, was introduced to the company, and decided he wanted a presence in Florida," Miller explains.

But it wasn't until the Clean Water Act passed in 1972, that Parks Souther, the company's first CEO and visionary, had his a-ha moment. "Souther was one of the more driven individuals you'd meet," Miller recalls. "He also realized a little company like us couldn't compete with the biggies unless we had something different to offer. And he was convinced the future was in the environmental field."

Fortunately, he was spot on, and the first innovations—led by visionary Swedish designer Hans Larsen—to land Parkson among "the biggies" was the Lamella® Gravity Settler and, in 1976, the Aqua Guard® Bar/Filter Screen. Fast-forward two years, and Miller, who was at a Fortune 500 company at the time, was persuaded to interview with Parkson.

The next big break for Parkson? A Friday afternoon call from General Motors. Miller's wife, Rene, explains, "GM called Mike, under the gun. Due to the Clean Water Act, if they didn't have their wastewater issues cleaned up in 30 days, they were going to be heavily fined." Mike and his team quickly rallied, proving themselves not only to GM, but the entire auto industry. Yet it was a deep-sea outing that cemented the relationship. Miller had taken the top GM brass on the water, and "apparently there's no deep sea-fishing in Detroit," Miller jokes. "They were all seasick, so we got to know each other really well, really fast."

# It wasn't until the Clean Water Act passed in 1972, that Parks Souther, the company's first CEO and visionary, had his a-ha moment.

“  
**It's all about relationships.** What started as a small, six person group operating from a converted, two-room gas station in Fort Lauderdale has become one of the most profitable and reputable wastewater equipment manufacturers in the industry. How? **Ambition. Innovation. Persistence.** And a young team in their late 20s who forged a **company culture** akin to an **extended family.**”

”  
—  
Mike Miller  
VP of Sales and GM Municipal Business  
Parkson

This emphasis on building and nurturing relationships has been—and continues to be—Parkson's secret sauce. For employees and clients, Parkson became an extended family; relationships cemented with social gatherings and shared highs and lows. "It is more than just a company. It is a family. We work hard, play hard, and rely on one another. Spouses or partners are all part of Parkson. These relationships are what continue to define us."

What does Miller credit with Parkson's success? Autonomy. Trust. And never giving up. "I tell people you really only have one job, and that's to make decisions in your area of expertise," he says, "and we all make good and bad decisions. The hope is you are right most of the time. Parkson trusted people, delegated, and told people to run with it. We always felt that 100 creative minds solving a problem were better than one or two people telling the other 98 how to do a job."



Watch a video about Parkson



# TABLE STAKES

Skjodt-Barrett donated 1M+ food pouches to local food banks in 2020, living its **core values** along the way.

“We believe actions speak louder than words.” This has been a long-standing north star at Skjodt-Barrett. And during the height of the pandemic, amidst also trying to keep the business humming, their grounding motto was truly put to the test. Founder Dan Skjodt challenged President Thomas Dreher and his team with a monumental task: Reach a whopping 1M+ in food pouch donations by the end of 2020.

Today, not only was that goal reached, but it’s been surpassed: Skjodt-Barrett donated an additional 300,000 pouches in the first half of 2021.

"Everyone chose to jump in feet first and did a lot of work to meet our goal, outside of our day-to-day business," Dreher explains. "We've always made an effort to donate. But during the pandemic, the news showed more and more families leveraging food banks as they were losing jobs. We felt compelled to not only create products for the consumer, but to play our part in local communities. One way we could do that was to find ways to produce pouches—partnering with key vendors, customers, and even other AJI companies—in raising donations."

A key takeaway amidst the monumental mission? A successful business is only as powerful as its people—a common thread among nearly every Axel Johnson Inc. business. As the donation goal drew nearer, Skjodt-Barrett employees, fellow AJI companies like Brazeway, and Skjodt-Barrett's vendors all stepped up to the plate—donating money, time, and raw materials. Skjodt-Barrett also pressed its retailers to divert pouches that would otherwise be landfill-bound. Rejected pouches can be simply the result of impaired labeling—not compromised product—allowing for additional donations.

Perhaps of top note, as the nation was bombarded by news of toilet paper shortages, a lesser known, more critical crisis, was a desperate need for baby food. "We donated our line time to the pouches," says Dreher. "It is something we're extremely proud of—not only navigating through the pandemic and those challenges, but also doing something critical to our food bank. Being able to make donations to babies was critical."

Skjodt-Barrett has two complementary and symbiotic businesses: custom ingredients and contract manufacturing. Today, they are the largest filler of preformed spouted pouches in North America and a leader in the baby food and functional caramel categories. Factory facilities in Brampton, Ontario, and Lebanon, Indiana, are staffed by scientists, chemists, packaging material specialists, process equipment specialists, and bakers, who collaborate in developing everything from sugar-free, high-protein caramel fillings to fruit snacks.

As the company looks to its next step-change, Dreher is quick to return to Skjodt-Barrett's anchor: its people. "[When I look to the future], I come back to our core values. And the one that resonates most is "We Care." We care for our employees, and we care for our customers. Some employees have been with Dan before the company even started, 40-plus years. Skjodt-Barrett has been a big part of their lives, and that's something we've instilled as an organization—trying to keep that family atmosphere. As with any family, you'll have people going through difficult personal circumstances, and that's where we can really demonstrate our "We Care" value. Behind the scenes, Dan, along with the Skjodt-Barrett community has done a lot for people to build the trust that makes Skjodt-Barrett the best place to work, every single day."

**1M+ in food pouch donations  
in 2020. 300,000 pouches  
in the first half of 2021.**

“

When I look to the future, I **come back to our core values**. And the one that resonates most is "We Care." **We care for our employees, and we care for our customers**. Some employees have been with Dan before the company even started, **40-plus years**. Skjodt-Barrett has been a big part of their lives, and that's something we've instilled as an organization—trying to keep that **family atmosphere**.

”

—  
Thomas Dreher  
President  
Skjodt-Barrett



# Generosity of Spirit

A candid conversation with **Antonia Johnson**, who believes a company is only as **strong as its people**.

When Antonia Johnson was just nine years old, her father walked her down NYC's Park Avenue and said, "When you grow up, you're going to take over the business." At age 32, she did just that, earlier than she might have hoped but with complete conviction and commitment.

As the owner and former chairwoman of Axel Johnson Inc., her remarkable integrity and work ethic have anchored a lasting company legacy, one defined by a commitment to its people. "As you sort through the excitement and difficulties of business," says Johnson, "It all comes down to: 'What is it to be a human being?'"







Considering the global rollercoaster of 2020, never has the philosophy of investing in people been more prescient. It was this core tenet that enabled AJI to emerge from an incredibly challenging year stronger than ever. For Axel Johnson, this past year exemplifies when the rubber truly meets the road. And as a woman who leads by example, Antonia explains how generosity and a focus on community builds its own, unique company equity.

**How has being a family-owned company enabled AJI and its many businesses to emerge from the pandemic with even more resiliency?**  
Companies are the biggest drivers of change in society—we affect so many people every single day in what we do. Viewing the company as a driver of change has been my guiding star, and it made it particularly important to understand the various roles we play in society. As a company that’s been around for more than 100 years, though this pandemic has been monumental, it’s not the first world event or crisis AJI has weathered. This cumulative experience enabled us to appreciate all the ways in which our choices affect both our own employees and their families and communities. At every turn we knew we would eventually come out the other end of this tunnel, and we needed to keep supporting our people and our customers so that we’d be ready when the world was itself again. As always, we leaned on our company culture, our values, and the strength of our people to not only survive, but thrive.

**AJI employees continually comment on their ability to easily access the executive leadership team. Why has that been important to you?**  
Running and building the business has been the meaning of my life, and you have to live a business to really know it. It’s so important to understand all people in the company. It’s also a question of trust: If you give trust, you get trust back. But you can’t trust people if you don’t know them.

**What do you believe anchors AJI’s continued success?**  
Business is more than simply maximizing profit. This year in particular, we did what’s right for our businesses, management teams, and employees. We put our heads down and worked it out. I’m a firm believer that if you do what’s right for your people now, you will emerge on the other side even stronger. As a result, AJI’s long-term profitability will be better for it, too. This is a more sustainable—and more ethical—way of operating a business. We value the soul and well-being of our people. Doing the right thing always has an upside.

**You were often the only woman at the table. How did that affect your business approach?**

Teams with diversity have much better results—people bringing different perspectives also bring a lot of vitality (and you have more fun!). It’s easy to fall into the trap of doing things the way you’ve always done them, or the trap of hiring people just like you, with the same experience or background. But teams with men and women—and people of different backgrounds and experiences—bring out the best in all of us.

**What is the best advice you’ve been given as a woman in the workplace?**

Be confident in what you know. Gender has a lower priority than your knowledge, drive, and creativity.

**And what advice would you give?**

It’s important to understand what it is to be a true human: to listen, show respect and humility, to feel excitement and joy, and to give love. These are the very basic ingredients. If you translate that into business, my advice would be to think about who you are, and who you want to be as you work, because it’s what it’s all about.

**How do you keep AJI’s legacy relevant?**

Relevance has to do with being a mirror of the times. Our curiosity is what has kept us going, and that will continue. I talk with Axel and my daughters about the future: How will the world continue to change? What kind of lifestyles do people want to have? What is really important in daily life? Those are the kind of discussions we are constantly having.



Watch a video about Antonia Johnson

# THE AXEL JOHNSON GROUP

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The Axel Johnson Group has a long tradition of building and developing companies around the world. The group has total revenues from wholly and partially owned businesses of \$14 billion and over **25,000 employees** across more than **25 countries**. The Group consists of four separate and financially independent groups of companies.



#### AXEL JOHNSON INC.

Owns and develops companies with a focus on the energy, water, healthcare technology, and housing sectors. Though based in North America, the companies of Axel Johnson Inc. compete in markets around the world. Sales for Axel Johnson Inc. were approximately \$2 billion in 2020.

#### AXEL JOHNSON AB

Builds and develops businesses within trade and services in the European market, with an emphasis on the Nordic region. It is estimated that every day more than one million people come into contact with employees or the products and services of Axel Johnson AB. Sales for the wholly and partially owned companies in Axel Johnson AB were approximately \$10 billion in 2020.

#### AXFAST AB

Owns and develops commercial properties in Stockholm and properties for trade and logistics in Sweden. The market value of AxFast's holdings totaled approximately \$1.6 billion in 2020.

#### ALTOCUMULUS AB

The asset management entity of the Axel Johnson Group, focusing on long-term, value-oriented investments within public equities, hedge funds and private equity.

While legally and financially independent from one another, the four members of the Axel Johnson Group actively seek out opportunities that are mutually beneficial and share an extensive business network with activities that span the globe.

The **spirit of cooperation** is the cornerstone of the Axel Johnson Group's growth and success—past, present and future.

# GOOD VALUES MAKES GOOD BUSINESS

We believe that private business is one of the most powerful forces for change in society today and that we all have a central role in shaping the environment in which we want to live tomorrow.

## OUR COMMITMENTS

### OPERATING WITH INTEGRITY

Competing aggressively but fairly.

### EMBRACING DIVERSITY

Drawing strength from diversity in people, perspectives and ideas.

### SUSTAINABILITY

Ensuring the long-term availability and revitalization of the resources we employ.

### INVESTING IN OUR EMPLOYEES

Providing a workplace that is challenging, collegial, and caring.

### RESPECTING OUR PLANET

Leading our industries in environmentally responsible products, processes and facilities management.

### COMMUNITY INVOLVEMENT

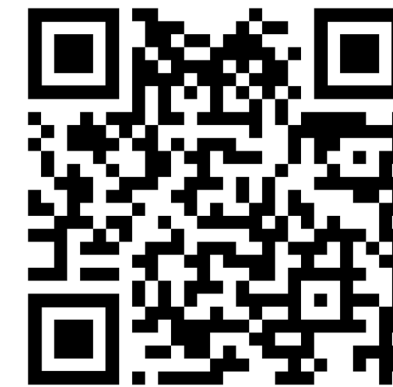
Seeking opportunities to help new, community-based initiatives grow.

“

“There is something very special about a family company. The dreams, the commitment and the determination of the family and entrepreneur go hand-in-hand with the professionalism, rationality and objectivity of the modern corporation.”

”

—  
Antonia Ax:son Johnson



Watch a video about our  
Leadership Values

# VALUES-DRIVEN OWNERSHIP

We acquire or invest in a company only when we are convinced that its leadership and employees **also share** our ownership **values**.

## 140 YEARS OF BUILDING COMPANIES THAT MAKE A DIFFERENCE

In short, where they remain passionate about the opportunities their business offers to **deliver both profits and positive contributions to their community over the long-term**.

Where they remain enthusiastic about, and committed to, their company's future and its as yet unrealized potential.

Where they are eager to pursue new ideas, take risks, and bring novel products and services to market. Where they believe that how they go about running their business, and the impact they have on their customers, trade partners and communities, is as important as the products they sell.



Based in Adrian, MI, Brazeway was founded in 1946 to prove that tight tolerance aluminum tubing was a feasible and more compelling alternative to copper tubing in refrigeration applications.

Extruding aluminum is the process of pushing heated aluminum through a die to produce a specific shape. Similar to the popular children's toy where playdough is pushed through an opening to produce long tube or multiple strings. Aluminum tubing produced in this way is a primary component of air conditioners and refrigerators.

Prior to Brazeway's founding, most cooling components in refrigerators and air conditioners were made of copper. The extrusion process for aluminum was not accurate enough to produce tubing that could be used in evaporators. In 1946, two friends named Charlie Hickman and Al Goldsmith had an idea on how the extrusion process could be modified to work for these applications, however, when they approached their employer about it, they were told it would not work. So, they quit their jobs and formed Brazeway.

Their idea worked and Brazeway began to produce high tolerance extruded aluminum tube. The company realized immediate commercial success, and over the coming decades Brazeway continued to push the boundaries of aluminum alloy tubing in heat exchange applications.

Today, Brazeway is the world's largest producer of aluminum thin-wall, refrigeration-grade round tube and is known throughout the world as the most innovative producer of frost-free evaporator coils. For three generations, they have continued this tradition of innovation, and their history is defined by all the milestones they have introduced and achieved.

Brazeway employs over 800 people, with manufacturing facilities in Shelbyville, Indiana; Hopkinsville, Kentucky; and Cienega de Flores, Mexico.

For more information, see [www.brazeway.com](http://www.brazeway.com).



Based in Newbury, OH, Kinetico is a leading manufacturer of premium water treatment systems for the residential, commercial and OEM markets.

Founded in 1970, Kinetico patented the only water treatment system powered not by electricity but by the kinetic force of moving water. In the years since, they have grown into a global company of independent Kinetico water experts and international distributors serving more than 100 countries. Today, the company provides an extensive line of proprietary water softeners, drinking water systems and whole-house water treatment systems. Around the world, more than one million Kinetico systems are improving over 100 million gallons of water each day. Their approach reflects a deep commitment to preserving and conserving fresh water, one of our planet's most precious and endangered natural resources.

Kinetico's products are sold primarily through a network of authorized, independent dealers and international distributors, with new channels under development. In recent years, the company has also nurtured a growing OEM business that addresses commercial water treatment applications in the restaurant, hospitality and specialty markets.

For more information, see [www.kinetico.com](http://www.kinetico.com).



Based in Ft. Lauderdale, FL, Parkson is a global leader in water and wastewater treatment technologies for the municipal and industrial markets, with more than 25,000 installations worldwide. The company's innovative, engineered components and systems treat more than 7 trillion gallons of water each year.

The equipment that Parkson designs and sells, is used by municipalities to treat water prior to distributing it to homes and businesses. Parkson also provides equipment to treat and clean wastewater prior to release into natural water bodies. Industrial customers utilize Parkson equipment to treat water to specific quality standards for various manufacturing processes, as well as treating wastewater leaving their facilities.

Founded in 1960, Parkson offers leading technologies that are used in virtually all steps of water and wastewater processing – from mechanical and physical separation of waste streams, to biological removal of contaminants, to advanced filtration for enhanced nutrient removal, to waste-minimizing solids processing.

The company's value proposition is straightforward: to provide water treatment equipment that delivers a significantly longer and more productive system lifecycle, reduced energy consumption, lower chemicals usage, and superior operator interface experience.

For more information, see [www.parkson.com](http://www.parkson.com).



Watch a video about Parkson



Based in Beverly, MA, HighRes Biosolutions is the leader in the design and construction of innovative robotic systems and laboratory devices used by pharmaceutical, biotech, and academic research laboratories.

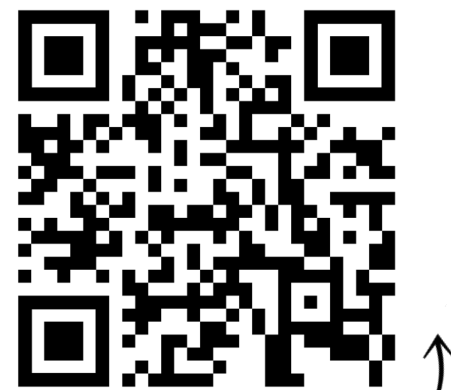
The drug discovery process consists of testing hundreds or even thousands of compounds to find which one produces a desired result. Traditionally this highly repetitive task has been completed manually in laboratories by scientists and technicians. Doing so is time consuming and prone to errors. Over the years, robotics systems have been used to automate this process, however each system was designed for a specific screening process and could not be easily reconfigured for other experiments, limiting the usefulness of the screening equipment. This was a major roadblock to automation, until HighRes founder Lou Guarracina invented a system where multiple pieces of equipment could be docked around a central robot. The docking system allowed for the equipment to be changed easily and quickly, allowing a system to run any combination of needed experiments.


The first system was designed on the back of a napkin in a bar at an industry conference. It was for this design, for the St. Jude's Children's Research Hospital, that HighRes received their first contract.

HighRes automation systems and devices provide customers with the ability to scale and reconfigure automation systems as technologies change. These systems let scientists focus on what they do best, driving discoveries and improving human health.

HighRes has a state-of-the-art 50,000 square foot facility in Woburn where it builds its systems and devices, and develops its software. The company also has offices on the West Coast, as well as in the UK.

For more information, see [www.highresbio.com](http://www.highresbio.com)



Watch a video about HighRes 



Based in Brampton, Ontario, Skjodt-Barrett is a world-class manufacturer of food solutions and custom ingredients for leading North American brands. The company takes pride in working closely with its customer partners to understand their unique needs and create innovative solutions that are individually formulated for each application.

Founded in 1985, Skjodt-Barrett comprises two operating divisions. The Contract Manufacturing division supplies a wide range of food products in spouted and non-spouted flexible packaging to some of the largest consumer product brand owners globally. Its expertise includes baby food, children's fruit snacks, smoothies, sauces, marinades, functional gels, puddings, and yogurts. The Custom Ingredients division supplies the foodservice, bakery, and industrial confectionery categories with fruit and confectionery fillings and toppings, icing and glazes, jams, snack bar layers, sauces, and marinades in a wide range of packaging formats.

Skjodt-Barrett employs over 500 people, with facilities located in both Canada and the United States.

For more information, see [www.skjodt-barrett.com](http://www.skjodt-barrett.com).

**MOUNTAIN LUMBER CO**  
Since 1974

With facilities in Ruckersville, VA and Renick, WV, Mountain Lumber is dedicated to the reuse of reclaimed wood in the production of residential and commercial flooring and millwork.

Founded in 1974, Mountain Lumber has traveled the globe to rescue rare and beautiful woods from structures no longer in use – ranging from century-old American factories, to cider vats from Ireland and railroad cars from Russia. By reclaiming the wood from these deteriorating locations, Mountain Lumber preserves a little bit of history with every project it delivers.

In addition to offering reclaimed products, the company also provides a line of Harvest wood flooring. The company's Harvest line includes FSC® certified products, which use new woods from sustainably managed forests in accordance with guidelines set by the Forest Stewardship Council.

In 2013, AII backed Mountain Lumber's combination with Renick Millworks, and subsequent consolidating of sawing and milling activities in West Virginia. The improved capabilities and cost reduction realized through this combination enhanced the company's ability to serve its rapidly growing commercial and residential customer base.

For more information, see [www.mountainlumber.com](http://www.mountainlumber.com).

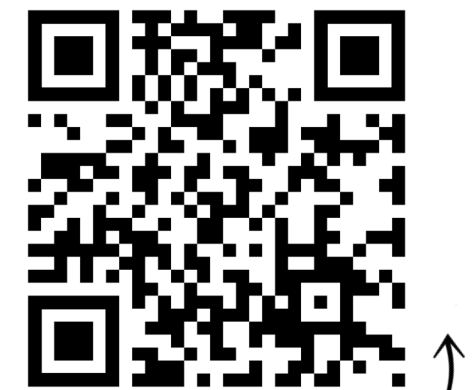
walk2campus

With properties in Virginia, South Carolina, New York, Kentucky, Tennessee and New Hampshire, Walk2Campus is a real estate acquisition and management company focused on providing pedestrian-oriented housing for the off-campus university residential market.

Founded in 2004, Walk2Campus owns and manages over 2,000 bedrooms within a variety of housing types in eight university towns. The company believes that location represents the only sustainable competitive advantage in student housing. Management adheres strictly to this premise, acquiring assets no more than one-half mile from a given campus.

The company owns and manages its real estate in close proximity to carefully selected public universities. Walk2Campus presently serves Longwood University in Farmville, Virginia; the University of Virginia's College at Wise; Winthrop University in Rock Hill, South Carolina; Coastal Carolina University in Conway, South Carolina; Western Kentucky University in Bowling Green, Kentucky; the State University of New York at Cortland; the University of Tennessee at Chattanooga; and Plymouth State University in Plymouth, New Hampshire.

For more information, see [www.walk2campus.com](http://www.walk2campus.com).



Watch a video about  
Walk2Campus



Founded in 1870 as a distributor of coal and petroleum-based products, today Sprague is one of the largest independent suppliers of energy products and related services in the Northeast. Their strategically located refined products and materials handling terminals, coupled with natural gas pipeline capacity, gives them unprecedented access to energy products and services. They market products to over 20,000 retail, commercial, industrial, utility and wholesale customers.

For more information, see [www.spragueenergy.com](http://www.spragueenergy.com)

### Joe Brady

Account Executive, Sprague

Career Tenure: 7 years

#### When did you learn to play the bagpipes?

My father was a bagpiper and he started teaching me in 1962, when I was seven years old.

**As a Regimental Bagpiper, you've led the 69th Regiment up Fifth Ave for the annual St. Patrick's Day parade in NYC since 1990. What's your favorite moment each year?**

Before the parade, the Cardinal Archbishop celebrates a memorial Mass for the fallen of the 69th. It is with tremendous pride that I lead nearly 1000 soldiers into the majestic St. Patrick's cathedral every year to a thunderous reception.

#### What has learning and playing an instrument taught you?

Discipline. I joined a bagpipe band in Worcester, MA (considered the finest in North America throughout the 1970's and 1980's under the direction of James Kerr, an internationally recognized Pipe Major from Scotland. He not only taught me how to be a successful, competitive piper but also laid the groundwork for me to develop my own championship bagpipe band.

#### Who was your biggest mentor and how did they encourage you?

My father was my biggest mentor. He taught and encouraged me. Because of my bagpiping, I was able to meet and develop strong relationships with people from all walks of life—military, political, professional and fraternal. These connections inspired me and greatly contributed to my personal and professional development.

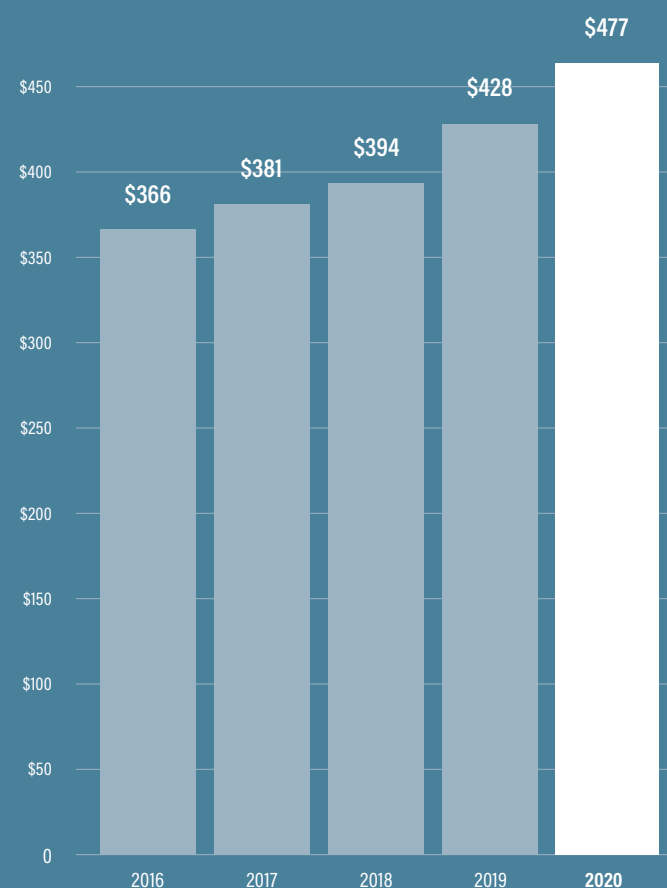
#### What is the best piece of advice someone has ever given you?

Lead by example. When my father and I performed together, I saw him treat everyone the same. Whether they were an honoree or a waiter.





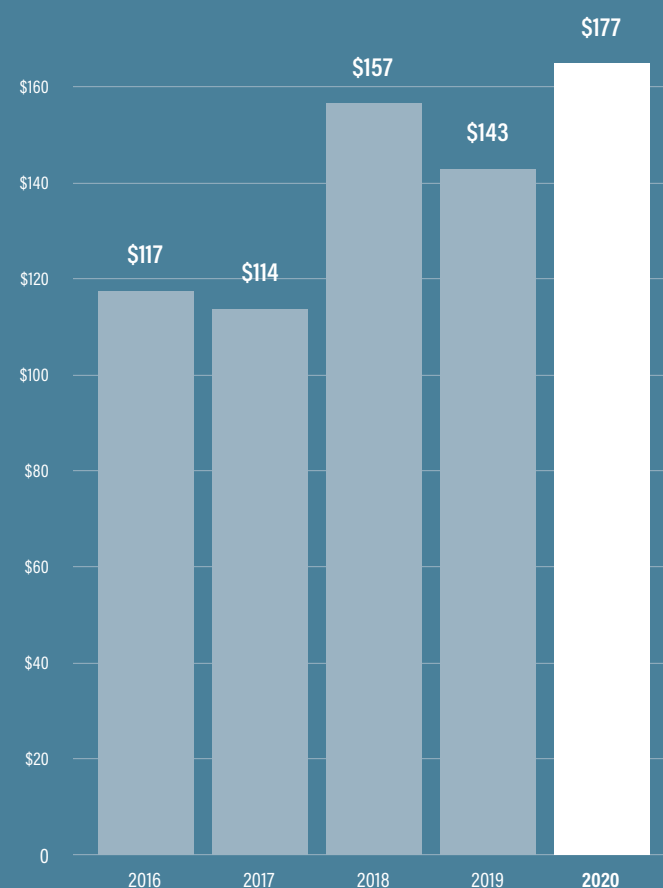
# FINANCIAL HIGHLIGHTS



## GROSS PROFIT

(\$ in Millions)

# \$447M



## EBITDA

(\$ in Millions)

# \$177M

# AJI CONSOLIDATED <sup>(1)</sup>



(IN THOUSANDS)

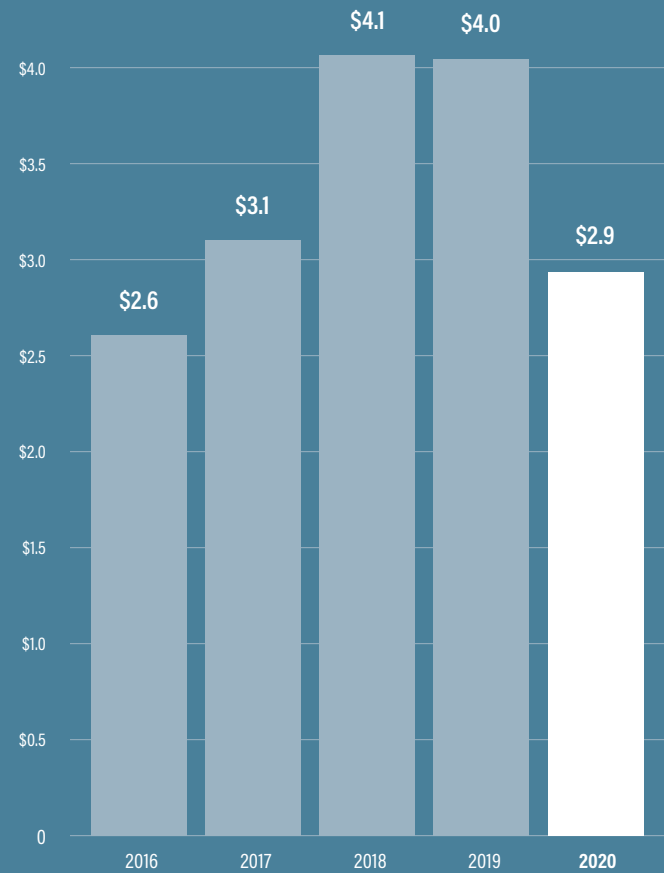
Income Statement Data	2020	2019	2018
Net Sales	\$2,870,492	\$4,044,609	\$4,064,824
Gross Profit	\$447,122	\$427,823	\$393,954
Selling, General, and Administrative Expense	\$271,861	\$275,498	\$271,858
Other Operating (Income) Expense	(2,359)	9,497	(34,420)
EBITDA	\$177,621	\$142,827	\$156,516

Balance Sheet Data	2020	2019	2018
Cash and Equivalents	\$187,338	\$178,417	\$153,577
Accounts Receivable, Net	294,869	368,703	366,152
Inventories, Net	370,693	371,534	320,803
Property, Plant and Equipment, Net	460,380	432,589	441,337
Goodwill and Identifiable Intangibles	311,352	334,431	387,084
Other Assets	378,180	339,352	321,191
Total Assets	\$2,002,812	\$2,025,027	\$1,990,143
Accounts Payable and Accrued Liabilities	\$253,780	\$280,643	\$365,112
External Debt - Working Capital Facility	358,685	437,184	284,998
External Debt - Other	540,507	526,627	538,683
Other Liabilities	347,125	273,725	219,031
Total Liabilities	1,500,097	1,518,179	1,398,824
Total Book Equity	\$502,715	\$506,848	\$591,319

(1) AJI's financials are shown on a mark-to-market ("MTM") basis. AJI also prepares consolidated financial statements each year in conformity with U.S. generally accepted accounting principles ("GAAP"). The company's GAAP and MTM financial statements differ primarily as a result of the company's decision not to formally qualify as hedges, per GAAP, the energy derivatives that its Sprague subsidiary uses for commodity hedging purposes. The company believes that the MTM basis provides information that is most useful for understanding the company's economic performance.

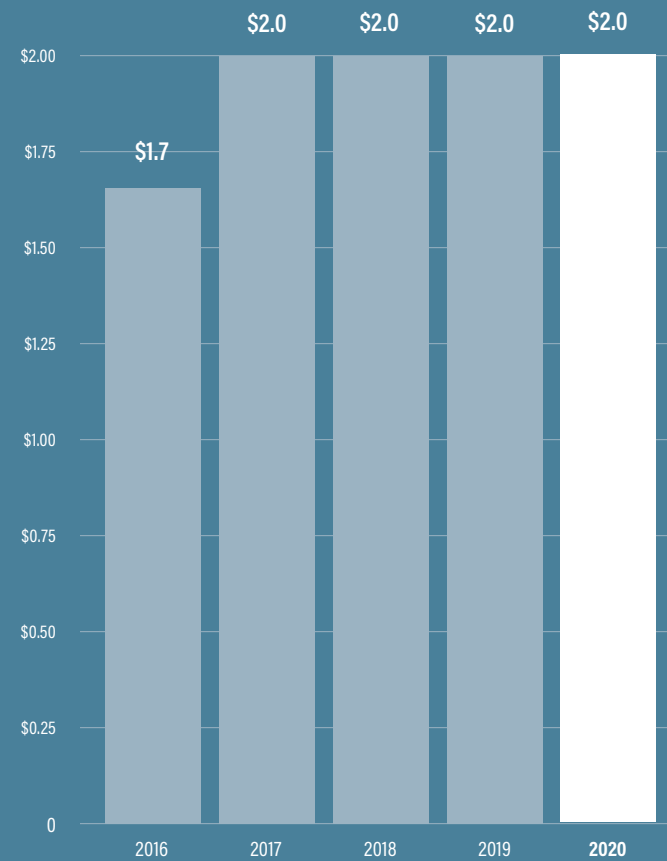
# FINANCIAL HIGHLIGHTS



## SALES

(\$ in Billions)

# \$2.9B



## TOTAL ASSETS

(\$ in Billions)

# \$2B

# NOTES TO FINANCIALS



### 1) REVENUE SENSITIVITY TO OIL PRICE VOLATILITY

Revenue from the sale of energy products constitutes the greater part of AJI's sales. The company's net sales figures, therefore, are highly dependent on fluctuations in oil and natural gas prices, and can vary materially from one year to the next. Energy price volatility can also have a significant impact on the recorded value of accounts receivable and inventory, as well as the level of utilization of Sprague's credit facility related to working capital.

It should be noted, however, that oil and natural gas price levels are not well correlated with the company's ultimate profitability. Rather, the level of profit generated by the company depends primarily on the company's successful management of marketing margins and logistics activities, on the opportunity presented by futures market prices to store petroleum products profitably from one month (or season) to the next, and on the effectiveness of the company's supply and hedging activities, among other factors.

### 2) WORKING CAPITAL DEBT

AJI had approximately \$899 million of debt on its Balance Sheet as of December 31, 2020. Roughly 82% of this debt was from its Sprague subsidiary's senior secured credit facility. This facility is used to fund working capital and acquisitions at Sprague. The facility is secured by substantially all of the assets of Sprague Resources and its subsidiaries. Sprague's utilization of the facility to finance its seasonal working capital levels throughout the course of the year is consistent with industry practice and within industry-standard parameters established by its bank syndicates. Management views these secured credit facilities as an economic, flexible and conservative source of financing; by design, a significant portion of the debt is repaid in the normal course of business as the assets underlying the borrowings are converted to cash.

### 3) DERIVATIVES

AJI values eligible financial assets and financial liabilities on a fair value basis.

#### Commodity Derivatives

In the normal course of business, AJI's Sprague subsidiary utilizes futures contracts, forward contracts, swaps, options and other derivatives in an effort to minimize the impact of fluctuations in prices of refined petroleum products and natural gas. Sprague's commodity derivative contracts, though economic hedges, are not accounted for as cash flow or fair value hedges and, thus, are accounted for under mark-to-market accounting with associated gains and losses recorded directly to income in the period of change. AJI records the fair value of its energy derivative instruments in the company's Consolidated Balance Sheets, with associated gains and losses recognized in earnings as cost of products sold in the Consolidated Statement of Operations.

#### Interest Rate Derivatives

AJI also uses interest rate swaps to convert a portion of its variable rate debt to fixed rates. These interest rate swaps are designated as cash flow hedges and the effective portion of changes in the fair value of the swaps are included as a component of other comprehensive loss, net of tax, which is reclassified to earnings as interest expense when the payments are made.

#### Forward Currency Contracts

Sprague's Canadian subsidiary utilizes forward currency contracts to manage its exposure to currency fluctuations of certain transactions that are denominated in Canadian dollars. These foreign currency exchange contracts are recorded at fair value at the balance sheet date. The change in fair value is recognized in earnings as these forward currency contracts have not been designated as hedges.

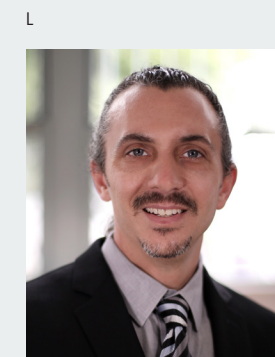
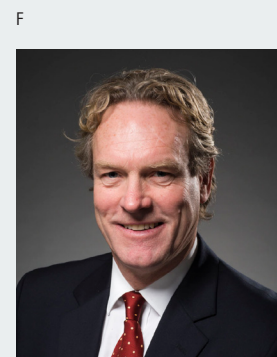
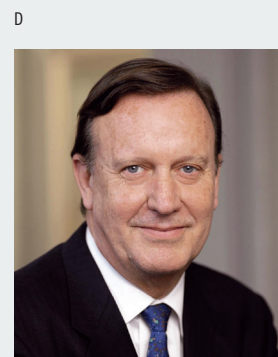
## BOARD OF DIRECTORS

- A** **Antonia Ax:son Johnson** / Director  
 Owner and Chairman of The Axel Johnson Group  
 Chairman of The Axel and Margaret Ax:son Johnson Foundation  
 Founder and Director, Axfoundation—The Antonia Ax:son Johnson Foundation for Sustainable Development  
 Director, Axel Johnson AB, AxFast,  
 The Axel and Margaret Ax:son Johnson Foundation for Public Benefit  
 Dr. hon.c at Middlebury College, Vermont &  
 KTH Royal Institute of Technology, Stockholm
- B** **Axel Mörner** / Chairman of the Board  
 Chairman, Björksund Förvaltnings AB  
 Member of the Advisory Board, AltoCumulus Asset Management
- C** **Alexandra Mörner** / Director  
 Working Chairman, Axfoundation—The Antonia Ax:son Johnson Foundation for Sustainable Development  
 Chairman, Alnarp Cleanwater Technology AB  
 Director, Axel Johnson AB, Hippson AB, Lövsta Stuteria AB and Perlavita AB

- D** **Nicholas K. Brookes** / Director  
 Past Chairman, De La Rue PLC  
 Past CEO, Spirent PLC  
 Past President of Materials and Controls Group and Vice President of Texas Instruments Inc.  
 Honorary Fellow, Institute of Directors
- E** **Sarah E. McPhee** / Director  
 Chair, Center for Business and Policy Studies (SNS), The Fourth Swedish National Pension Fund (AP4) and Houdini Sportswear AB  
 Director, Klarna AB, Bure Equity AB and Clusjion AB  
 Member of the Royal Swedish Academy of Engineering Sciences
- F** **Lars Blecko** / Director  
 Chairman, Polygon AB  
 Director, Ramudden AB, Loomis AB
- G** **Michael D. Milligan** / Director  
 President and Chief Executive Officer, Axel Johnson Inc.  
 Chairman, Sprague Resources LP (NYSE:SRLP)

## CORPORATE OFFICERS

- H** **Michael D. Milligan**  
 President and Chief Executive Officer
- I** **Sally A. Sarsfield**  
 Chief Financial Officer
- J** **Peter Harris**  
 Vice President and Director—Corporate Development
- K** **Timothy P. Grier**  
 Vice President—Tax
- L** **Omar Gadalla**  
 Director—Marketing and Sustainability



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