**ITS ConGlobal 2021 ESG Objectives**

General Sustainability

Our major sustainability objective is to improve communication of ESG goals and achievements and better outline a strong path forward.

Communication

We have been publishing sustainability reports for 3 years. Our goal is to continue to improve the report by outlining 10- and 20-year plans of how we are going to achieve the ESG commitments that we have set forth. Within the plans, we want to emphasize specific ways that we will reach our goals.

We will continue to communicate all goals and achievements of ESG commitments via our sustainability report and also engage our customers, partners, and stakeholders in conversations about our performance. We plan to engage them through presentations, newsletters, emails, social media, and manager training sessions.

Our 2021 report will be published in June of 2022 and will be shared with customers, investors, employees, trade unions, other stakeholders and be made publicly available on our website.

Environmental

* Renewable
  + Research opportunities to source renewable electricity. We will start by ensuring the energy providers we choose source the most renewable energy in their respective state, as long as this is feasible for business.
  + Look into purchasing wind and solar energy for depot locations to source their own renewable energy.
* Electric
  + Prepare options for obtaining electric vehicles. Our San Bernardino intermodal location became the first to covert to completely electric vehicles, and our plan is to expand this across as many sites as we can. The cost of $300,000 for an electric hostler reduces the ROI as compared with a traditional diesel version, so we plan to investigate potential sources of funding to subsidize the cost of ownership.
* Sustainable Sourcing & Waste Diversion
  + The first step to diverting waste from landfill is starting at the source. We plan to continue to seek out sourcing materials that are recycled to reduce our volume of industrial waste. We are looking to partner with a waste diversion company to decrease the amount of waste that ends up in landfill. Last year, we diverted 60% of waste and have plants to reach 70% by 2025.
  + Encourage employees to use a reusable water bottle to eliminate plastic waste. Exploring ways that we can ensure every office and depot has filtered water to refill water bottles.
* Compliance
* Continue to strive for 0 incidents of non-compliance.
* Annual internal site audits and an interactive compliance calendar are in the works to ensure 100% compliance.
* Reviews of stormwater plans and SPCC plans to ensure they are up to date and still relevant to the operations of each site.
* Implement environmental trainings as part of annual safety trainings to emphasize importance and raise awareness for environmental issues.

Social

* Increase the number of female owned, minority owned, and veteran owned firms we conduct business with.
* Continue to train and develop managers to affectively lead and motivate operational employees.
* Continue to develop technology and mobile equipment monitoring and hazard detection/analysis in order to further identify and correct an at-risk situation or trend before a loss occurs.
* Continue to evaluate trends and tweak controls to prevent incidents in these categories:
  + Lifesaving activities:
    - Fatigue related incidents
    - On rail switching
    - Track protection
    - Securement
  + Injuries
    - Slip, trip, and fall
    - Injuries during maintenance
    - Sprain and strains
  + Damage events
    - Collisions
    - Dropped chassis events
    - Damage in loading or unloading
* Continue to commit to greater organizational diversity
  + Pro-active recruitment efforts to attract US veterans
  + Maintain 3rd party posting partnerships that target Diversity & Veteran groups
  + Developing program to maximize Work Opportunity Tax Credit which provides opportunities that target groups with employment barriers
* Continue to provide employees with multiple avenues to facilitate productive communication with employees and allow them to express concerns
  + Via written word, electronic, telephonic
* Utilize local resources to assist in development of our workforce

Security

* Continue to monitor and roll out data intrusion software/hardware to all remote locations
  + Renew passwords every 90 days
  + Ensure passwords have:
    - At least 8 characters
    - At least one upper case letter
    - At least one lower case letter
    - At least one special character
    - At least one number
* Develop secure options for guest devices within ITS facilities
  + Data throttling
  + Segmented network
* Improve file security standards to protect against unauthorized access attempts
  + Account lock-out
  + Real-time auditing
* Mobile security
  + Implement mobile device management security policies to all company owned devices
  + Anti-viral detection and prevention software
  + Anti-phishing and prevention software
  + Personal information encryption

Governance

* Continue to evaluate and develop our governance policies to ensure that those policies reflect the current state of all applicable state and federal laws
* Continue to regularly monitor our compliance with all existing governance policies
* Continue to evaluate the composition of the Board to maximize its efforts and performance
* Continue to participate in managing and reducing all risks to our company through implementation of a robust risk management program
* Continue to engage in effective communication with the board to ensure ethical conduct through all facets of the company
* Continue to promote our governance program to all levels of the company organization