

ITSC DECARBONIZATION JOURNEY

November 2022



ITSC ConGlobal
EV

CHARGING DISPENSER
HCC-6000-3
480 VOLT AC 3 PHASE 3 WIRE 3 AMP
1000 VOLT DC 750 AMP
24 VOLT DC
DISPENSER IS FED FROM HCC-6000
LOCATED TO THE EAST
WARNING
THIS CABINET IS SUPPLIED WITH
MULTIPLE POWER SOURCES
BE SURE ALL ARE DISCONNECTED
BEFORE SERVICING

heliox



Our Commitment to Sustainability



As part of our longstanding commitment to care for each other, our customers and our business, we remain dedicated to building solutions and capabilities—including our ongoing development and deployment of advanced technologies—that deliver tangible sustainable business practices across all lines of business.

Brant Ring

Chief Executive Officer

Shortly after joining ITS ConGlobal, our team charted a vision to be the world's go-to experts in terminal operations.

To achieve our shared vision, we set in motion an every day mission to take care of each other, our customers, and our business. We know if each of us accomplish something along all three elements, we've had a great day and are on our way to achieving our vision.

The events of the past two years have shown us that health, global economics, social systems, and the very world we live in can be fragile yet ultimately resilient. With this backdrop, industrial transformation and collaboration have never been more urgent.

As we survey today's landscape, we see clearly that climate change is now one of the most challenging issues facing us. Our global society hasn't taken our most vital resource—the planet—and cared for it as we should have.

Over the past few years, we have seen the effects of climate change in yet another unprecedented fire season, along with devastating storms, extreme temperatures, disastrous flooding, and much more, all while facing the continued spread of a global pandemic.

Amid these most challenging years, many companies made and continue to make bold commitments to net-zero to accelerate the



necessary changes in response to the climate emergency.

It's now time to transition from pledges to progress. Doing what is right for the environment, for the planet, is more than just one small decision—it's making many decisions consistently over time. And making real change begins with each of us and the choices we make every day.

ITS ConGlobal's transformation journey and company mission connect to our sustainability journey. We believe the most significant impact we can make is by working with our customers to craft sustainable innovations—including the development and deployment of advanced technologies—that address the world's challenges.

Our decarbonization journey is a complex one. We've identified concrete first steps, which include measuring, disclosing, and setting targets for emissions.

Climate change is one of our most significant environmental and social issues. Facing our shared climate challenge requires ambition, action, accountability, and care. That is in our daily mission—and we are set for the task.



Our emissions

Our carbon footprint includes emissions that we directly control, known as Scope 1 and 2, and indirect emissions that we can influence, known as Scope 3. As part of our carbon journey, we are making progress at measuring and reporting Scope 3 emissions.



Scope 1

37,874 tCO₂e (2021)

Gasoline, diesel and generators

The nature of our business means that Scope 1 emissions represent a large majority of our carbon footprint. This includes the fuel needed to power our on-site vehicles and hostlers, as well as a small proportion of natural gas for our back-up generators, which are only used in the instance of a power outage.



Scope 2

3,457 tCO₂e (2021)

Electricity and heat

Scope 2 emissions represent a small portion of our carbon footprint, as electricity and heating is only used for our office buildings and our electric fleet.



Scope 3

We are making progress on improving our data collection and monitoring of Scope 3 emissions. We have identified that relevant sources include: emissions from our purchased technical equipment, upstream transportation, and product waste.



Our carbon journey so far

Our intermodal services are connected to rail networks across the US, which, being less emissions-intensive than other forms of transport, enable us to facilitate emissions reductions across the sector. That said, we recognize the responsibility to decarbonize our business. We have begun implementing initiatives to reduce our emissions both directly on site, and across our value chain.



EV vehicles fleet

In 2018, we began implementing a program to electrify our vehicle fleet to reduce our Scope 1 emissions. We now operate a total of 35 electric vehicles across four of our sites, with one site being fully electric.



Local suppliers

We are focused on procuring supplies locally to reduce travel-based emissions within our supply chain. In 2021, 6.5% of our construction purchases were within a 25-mile radius.



Waste diversion

In 2021, we diverted 40% of our waste from landfill. We aim to increase this number to 60% by 2025.



Remote working

We have enabled 98% of our corporate employees to work remotely relative to pre COVID-19 levels. This has reduced our energy consumption and emissions on site, and our Scope 3 emissions from employee commuting.



Electric intermodal machinery

We have procured 100% electric hostlers to displace our entire intermodal fleet at one of our sites, reducing our Scope 1 emissions and reliance on diesel fuel.



Intermodal efficiency

In 2017, we replaced our California intermodal fleet with tier 4 compliant diesel engines, reducing PM emissions by 96%.





Our future carbon ambition

Impact:

- High impact
- Medium impact
- Low impact

Implementation timeline:

- Short
- Medium
- Long

We are determined to further reduce our carbon footprint. We are investigating a number of initiatives to enable this reduction, and aim to set a formal climate target by the end of 2024.

01



Energy efficiency

We will invest in energy efficiency measures at both our offices and depot locations, to reduce the amount of energy we need to procure. For example, we have plans to replace lighting with energy efficient LED lighting and reevaluate current utility contracts for who companies who source more renewable energy.

02



Decarbonization target*

We aim to publish a formal climate target in early 2024. Initially this will focus on our Scope 1 and 2 emissions, where we have the most direct influence. We will continue to develop an approach to understand our Scope 3 emissions, and ultimately incorporate these into our target.

03



Scope 3 emissions*

We anticipate Scope 3 to be a moderate proportion of our total emissions with our most material sources including emissions from our purchased equipment, upstream transport and waste. We will focus on defining an approach to measure and report these emissions, and ultimately identify ways we can work with third parties to reduce them.

04



Renewable energy procurement

We will investigate the opportunity to increase our proportion of purchased renewable energy to reduce fossil fuel consumption.

05



Green Infrastructure

We will continue to invest in electric intermodal machinery and vehicle fleets at our sites to reduce our Scope 1 emissions. We aim to have 100% of our California sites electric by 2030.

06



On-site generation and storage

We will examine the opportunity to introduce on-site solar generation. As part of this, we will assess feasibility, timing and impact. We will investigate transitioning away from our diesel back-up generators in favor of greener alternatives.

Impact and timeline implementation



* In isolation, these two initiatives will not reduce emissions. However, they are critical steps to implement in our decarbonisation journey, and will ultimately enable faster, more sustained emissions reduction.



 **ITS ConGlobal**

