

ConGlobal

Sustainability Report 2022



Sustainability & ConGlobal

Sustainability and ESG initiatives are taking their rightful place of prominence today. At every turn, individuals, companies, and governments alike are adopting strong commitments to decarbonize their operations – and fast. We recognize the environmental impacts of our footprint; now is the time to act, and ConGlobal is set for the task.

Brant Ring, CEO

Brant Ring

CEO

Looking back at 2022, two significant milestones stand out.

We launched Aviro360, an ecosystem of technology solutions developed to maximize facility efficiency. Aviro360 solutions help ConGlobal and our customers do business in a way that benefits their bottom line and reduces their environmental impact.

Last year we began a new chapter in our company's history because we decided to change our name from ITS ConGlobal to ConGlobal. This change better reflects our position in the market, with "con" meaning "with" and "global" meaning "the world."

Relaunching a 50+-year-old supply chain giant is no small task, and the effort took approximately five months straddling 2022 and 2023. We've evolved tremendously over the years, continually changing alongside the needs of our customers. Refreshing our name acknowledges the full suite of terminal services we provide and how they come together to create unprecedented solutions for our customers — and together, we are safely delivering growth while doing what's right for our employees, customers, suppliers, owners, and the communities we serve.

ConGlobal's Mission & Vision

We take care of each other, our customers,
and our business.

Our Vision

We take a collaborative approach in ensuring zero injuries, zero environmental incidents, and zero damage incidents.

Combining efforts both internally and externally to all drive towards one common goal: Zero Harm.

Our Mission

Our mission statement is our compass, especially when considering the future of our business.

We orient ourselves around action. Our goal is to cut through the noise and point every employee straight to the heart of our passion — being an expert partner in multimodal terminal operations.

Zero Harm

Zero Injuries. Zero Environmental Incidents. Zero Damage Incidents

Zero Harm — to our employees, environments, and communities — has always been our number one priority. We are constantly making strides to meet that goal by redefining the way we look at safety incidents, transitioning from a focus on the incident at hand to taking a step back and understanding all of the factors that contribute to an incident.

Our Safety Approach

Safety and sustainability go hand in hand.

Our approach to safety starts at the source by breaking down each incident to identify the exposures. From there, we develop KPIs to track our progress and understand what safety improvements we need to focus on moving forward.

Our approach to safety includes:

- Identifying our top exposures in the workplace and writing exposure control plans to mitigate them.
- Using education to align the organization on classifying exposures and incidents. The entire organization must be on board.
- Building a culture of caring: revitalizing our training approach and ensuring that leadership sets the tone for a culture of caring for one another, which in turn drives safe behaviors.



Industrial Terminal Operations

DEPOT

ConGlobal operates more depot yards than any of its peers and continues to expand.

We are the only depot provider with a transcontinental scale. In 2022, we processed more than 1 million units.

RAIL

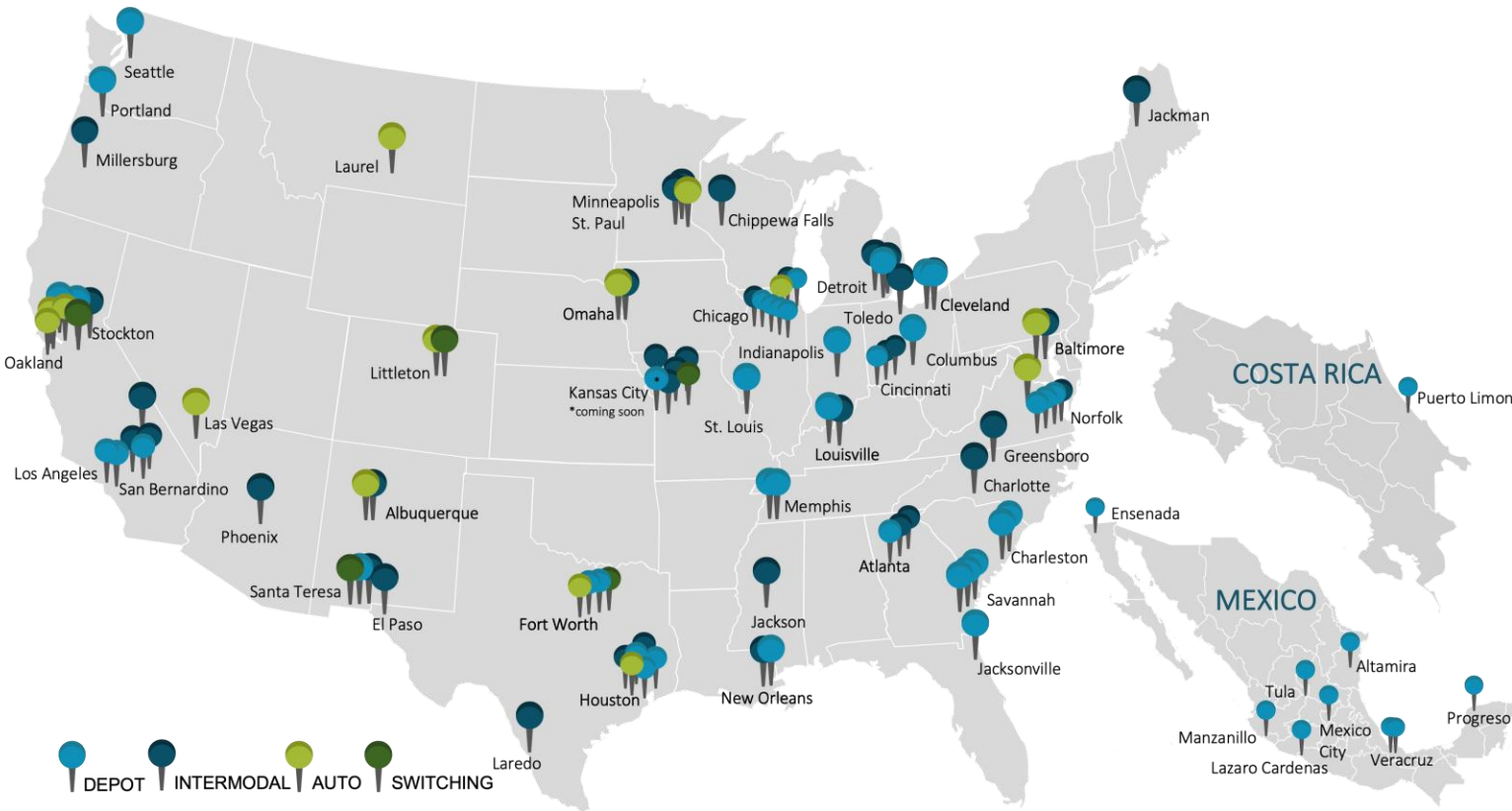
With over 5 million intermodal trailer & container lifts and the movement of 2 million finished vehicles, we have the scale, breadth, and capabilities to compete and excel in the global market.

TECHNOLOGY

ConGlobal has deep, proven, experience in developing and implementing technology solutions — we move ideas from inception to impact.

We use technology strategically and help our customers focus on initiatives that unlock value.

ConGlobal's Workgroups



ConGlobal's workgroups span organizational boundaries to provide the industry's broadest array of mobility services provides our clients — top tier, advanced transportation companies — with unparalleled market reach and coverage.

ConGlobal has been serving the transportation industry for over 50 years.

Our connected workstreams and ~3,500 experts serve North America from offices in Fort Worth, TX, Chicago, IL, and Corvallis, OR. In addition to the United States, we also have operations in Mexico and Costa Rica.

Our Depot Network

As a leader in the container industry since 1968, we know containers.

With 20 locations strategically placed near ports and inland distribution hubs across the U.S., Mexico, and Costa Rica. ConGlobal stores, sells, rents, repairs, and modifies all types of shipping containers.

As the industry's only provider of depot services spanning North and Central America, we provide more than 200k TEUs of capacity. Our network touches more than one million units every year.

- Equipment sales and leasing
- Wheeled and stacked storage
- Maintenance and repair
- Refrigerated unit repair and maintenance
- Container modifications



Rail and Auto Operations

Our network scale allows us to leverage purchasing power, and offer a modernized portfolio of products and services, giving our customers a competitive advantage.

- Intermodal trailer and container loading and unloading, including LTL and parcel service handling
- Finished vehicle loading and unloading
- Drayage
- Railcar maintenance and repair
- Railcar switching
- Checkpoint operations
- Inventory management
- Terminal operations design
- Warehouse/distribution center operations



GRESB: Sustainability Benchmarking

2021 Results

**1st Overall Score
Within Transport**
Out of 13

**Received the GRESB 5-star
rating, which means we
ranked in the top 20% of all
649 respondents**

**1st Management Score
Within Transport**
Out of 13

Decarbonizing the Supply Chain



As we finalize our decarbonization timeline, we partnered with Texas Christian University (TCU) Neeley School of Business Center for Supply Chain Innovation to vet our current decarbonization plan and uncover new solutions.

In 2023, ConGlobal teams will work with TCU students to propose the best paths to decarbonize our operational equipment, including sequencing and timelines considering technical, financial, and logistical considerations. Students will also evaluate the workforce for tomorrow and make recommendations for skillsets and how to attract and retain this workforce.

By engaging students with real-world case studies, this collaborative approach not only yields fresh perspectives and ideas but also ensures that our program remains ambitious yet achievable. Simultaneously, it allows us to give back to our local community, empowering students to learn and embrace new endeavors.

Our Sustainability

Journey



2017

ConGlobal begins phasing out older diesel engines with Tier 4 compliant diesel engines; this program has allowed ConGlobal to drastically reduce PM emissions, benefitting both the environment and the health of our employees.



2018

Implemented stage one of a forward-looking program to electrify our fleet, starting with our California fleet.



2020

Started measuring and reporting on Scope 1 & 2 emissions among other initiatives to reduce emissions, energy use, and waste.



2021

EV fleet in California grows to 35; one site becomes 100% electric, resulting in cost savings, ease of operation, and an increase in employee health & safety.



2022

EV fleet reaches 38 units, with plans to add 50 more over the next two years. Commitment is made to decarbonize all operations and have a timeline ready to announce in 2024.



2024

Decarbonization timeline to be published.

Local Outreach

April 22, 2022, the Fort Worth team at the Trinity River Trash Bash, hosted by TRWD



ConGlobal celebrated Earth Day 2022 by joining the Tarrant Regional Water District (TRWD) in their annual Earth Day event — the Trinity River Trash Bash.

Our Fort Worth team participated in the event, picking up trash along the Trinity River that morning and amassing 8 bags of trash.

Among our responsibilities is ensuring we leave the communities in which we operate better than we found them.

We plan to continue this tradition and seek to partner with more local communities across the network.



Sustainable Procurement



Support Local

ConGlobal supports the local economy by purchasing goods and services from local vendors – further reducing emissions from long-range transportation.



Stay Compliant

ConGlobal complies with all local, state, and federal laws that govern our procurement activity, including environmental protection.



Empower Employees

We provide employees with environmental training and empower them to be innovative and incorporate sustainability factors into procurement decisions.

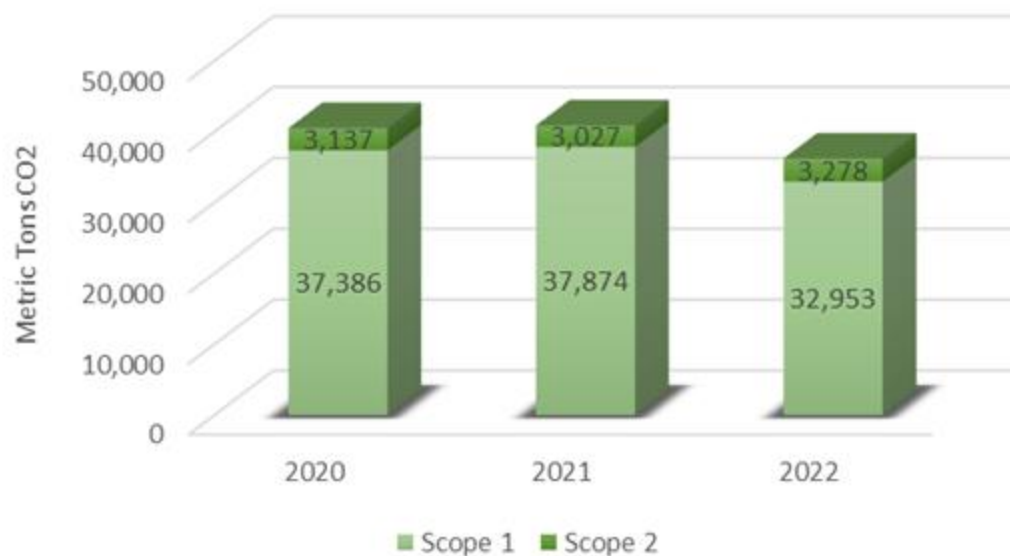
Environmental Performance

Since embarking on our sustainability journey in 2018, we have made concerted efforts to track and improve our environmental performance, with a particular focus on reducing our carbon footprint. Our efforts have included adding electric vehicles (EVs) to our fleet, implementing energy-efficient practices, introducing biofuels, and addressing unnecessary emissions from vehicle idling. Thanks to these initiatives, we now have the data to demonstrate the effectiveness of our sustainability efforts.

In terms of our Scope 1 emissions, we are pleased to report a significant reduction of nearly 5,000 metric tons, which can largely be attributed to the use of our EV fleet and the corresponding decrease in diesel consumption. However, we did observe a slight increase of approximately 250 metric tons in our Scope 2 emissions, as the energy required to charge our EVs contributed to our overall energy use.

During our transition to electric at our California locations, we found that our reliance on diesel fuel decreased significantly, which directly contributed to the decline in our Scope 1 emissions. Moving forward, we anticipate that our Scope 2 emissions may continue to fluctuate, as an increase in our EV fleet will impact our energy use until we are able to finance on-site solar generation or source more renewable energy in general. Nonetheless, we remain committed to continuously improving our sustainability efforts and achieving our environmental goals.

Scope 1 & 2 Emissions



Sustainability Goals

Waste Diversion

Continue to divert waste from landfills. Implement more recycling programs and transition to paperless where we can. We are also pursuing ways to turn waste into energy.

Energy Efficiency

In light of EV fleet needs, reduce Scope 2 emissions by creating an energy management policy, replacing old lighting with new LEDs, and making plans for on-site solar generation in the future.

Fuel Consumption

Further reduce Scope 1 emissions by continuing to purchase EVs, tackling unnecessary idle time, and researching and implementing alternative fuels to replace diesel across the network.

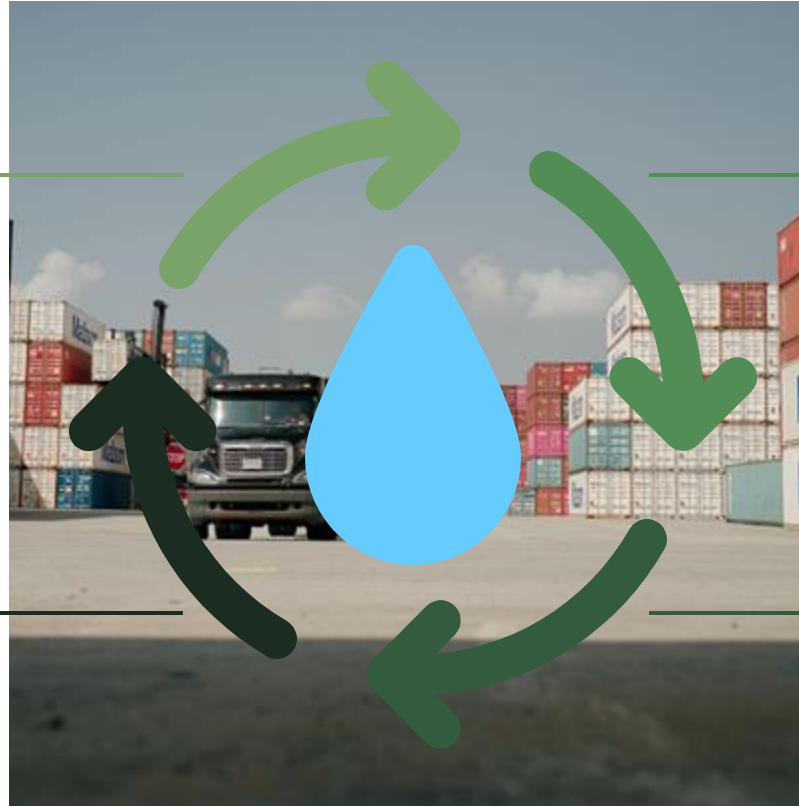
Environmental Performance

22% decrease in water use

In 2022, we consumed less water — just over 2 million gallons fewer than we did in 2021.

10% decrease in natural gas use

While our total energy consumption did go up from 2021, we saw a decrease in our natural gas use.



14.5% decrease in diesel use

Gradual electrification of our fleet allowed us to consume less diesel fuel in 2022 than we did in 2021.

5% increase in energy use

Operating electric vehicles requires slightly higher energy consumption. We're committed to implementing energy efficiency methods to cut back on unnecessary usage to reduce Scope 2 emissions.

Recycling by the Numbers



Aviro360

Change is everywhere — and we believe technology is the vehicle for harnessing it.

In 2022, we launched Aviro360, an ecosystem of solutions that connects machines, devices, sensors, and people to increase responsiveness and resiliency.

With Aviro360, customers can:

- Automate gates
- Increase safety
- Reduce downtime
- Optimize storage and retrieval
- Efficiently reconcile inventory
- Identify blind spots
- Proactively respond to risk
- Exceed industry expectations

VeriSpot.io and Sight.io are two solutions within this technology ecosystem.

VeriSpot.io

VeriSpot.io

VeriSpot.io is our advanced mobile inventory solution. Using a camera mounted to the top of a yard truck, VeriSpot.io captures a real-time view of on-site inventory as the truck makes its rounds throughout the facility.

With VeriSpot.io, ConGlobal customers can:

- Add technology to existing equipment
- Automate asset tracking
- Get a 360-degree view of their terminal with low-cost and accurate inventory positioning
- Control surges in real-time
- Enhance the experience of their customers, drivers, and employees
- Become nimble, leaner, and more productive

For ConGlobal customers, having an instantaneous view of the site layout allows for faster decision making with greater accuracy and confidence. For the environment, more efficient truck moves and less idling reduces fuel use and emissions.

Sight.io

Sight.io

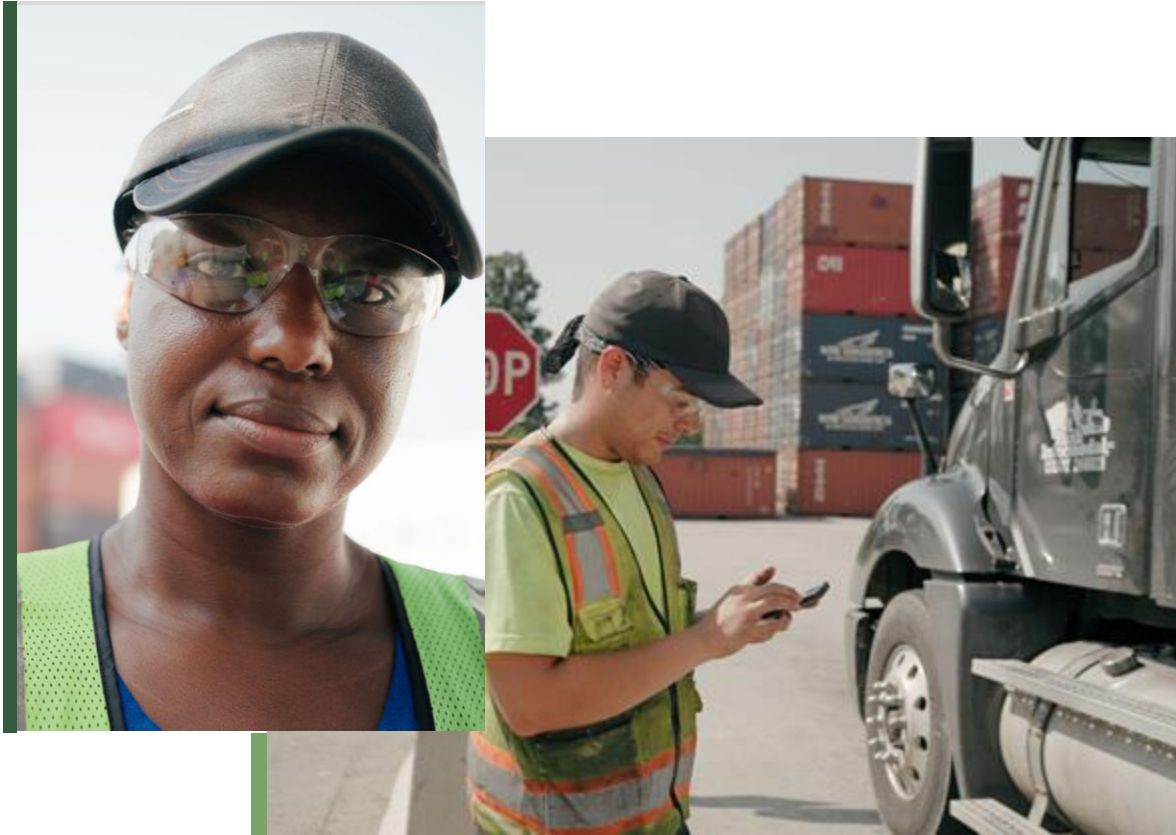
The partner solution to VeriSpot.io is Sight.io, a gate system that substantially increases throughput without sacrificing security or adding headcount. Sight.io identifies entering and exiting equipment within seconds and intelligently authenticates drivers. It even validates the equipment configuration with booking/mission information that results in faster turn times.

Drivers registered with Sight.io can accelerate their visits by notifying facilities of upcoming arrivals using a virtual kiosk. Once onsite, the Sight.io portal captures high-resolution images for asset identification and condition capture. Data-inferencing and AI provide actionable intelligence to direct drivers to preferred gates, expediting entry within seconds.

Faster throughput is good for our customers' business, but it also serves to reduce their carbon footprint. Because trucks aren't idling while waiting to enter the site, they burn less fuel and emit fewer GHG emissions.

Sight.io also integrates seamlessly with VeriSpot.io. Together, they optimize terminal operations to reduce a facility's environmental impact.

Diversity & Inclusion



In 2022, we participated in an external diversity and inclusion (D&I) audit to understand current trends pertaining to diversity and inclusion and the lived experiences of our employees. We used that data to understand the current culture and climate and identify key areas requiring development.

This audit analyzed four categories of data:

- D&I
- Culture and Values
- Work-life Balance
- Career Opportunities.

In September, we ranked above-average in all categories, with the exception of work-life balance.

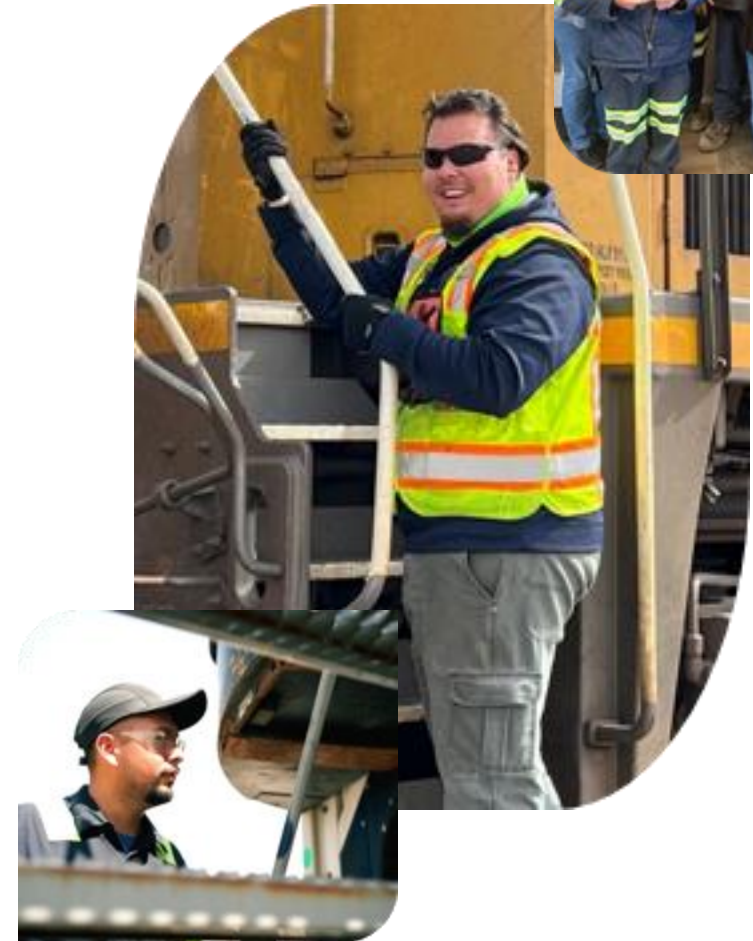
Together, We Do Our Best Work

Diversity and inclusion are a central part of our culture and how we work at ConGlobal. They are crucial to our mission to take care of each other, our customers, and our business.

We recognize that everyone is different, and it's those unique experiences, perspectives, and voices that drive us forward. Every employee is encouraged to learn new skills and is considered for opportunities that require those skills.

Diversity and inclusion are essential for our business for three key reasons:

- A diverse workforce provides insights into all stakeholders' needs and motivations, providing solutions proactively.
- We operate in a complex and competitive industry; a broader range of talent makes us highly innovative and stronger together.
- Embracing a broader worldview will help us build bridges to trust, respect, and an understanding spanning cultures and locations.



People-Centric Business

Our people are the cornerstone of our organization, playing a vital role in driving our success and shaping our future. As sustainability takes center stage and becomes a core focus for businesses, it is imperative for employers to adapt their practices, and Human Resources (HR) plays an important role in this endeavor.

Employers have increasingly realized that attracting participants who value sustainability can have a positive impact on recruitment and retention efforts. To foster employees' commitment to our organization's sustainability values and goals, we emphasize continuous training and development opportunities. By providing targeted training in environmental stewardship, we enable individuals to understand the connections between their actions and our overall ecological accountability.

Diversity and inclusion are fundamental principles ingrained in our culture and the way we operate at ConGlobal. They lie at the heart of our mission to care for one another, serve our customers, and drive our business forward.

We firmly believe that everyone brings unique experiences, perspectives, and voices that enrich our organization. We are committed to creating an environment where talent and potential are the sole factors determining opportunities, without any barriers from irrelevant factors.

By placing our people at the center of our business and incorporating sustainability, diversity, and inclusion into our core values, we strive to build a resilient and thriving organization that embraces change, drives innovation, and fosters a sense of belonging for all.



Customer Satisfaction

A man with a beard and glasses, wearing a yellow safety vest over a grey shirt, is pointing at a document. A woman with glasses, also wearing a yellow safety vest over a dark blue shirt, is looking at the document with her hand on her chin, appearing thoughtful. They are in a warehouse or industrial setting with shelves in the background.

Over the course of our 50+ years in the transportation and supply chain industry, we've continually added service capabilities, sometimes by acquiring companies with specialized expertise to meet the needs of our customers. As the industry has evolved, we've seen the power of pairing services from all corners of our business to serve our customers better.

Our recent name change to "ConGlobal" (formerly ITS ConGlobal) reflects our focus on working together as one team to be the world's go-to experts in terminal operations.

We have evolved tremendously over the years, continually changing alongside the needs of our customers. Refreshing our name acknowledges the full suite of terminal services we provide today and how they come together to create unprecedented solutions for our customers, including satisfying their sustainability expectations.

Another step in our evolution is deploying our first customer satisfaction surveys this year, which will help us continue to refine our approach to meeting our customers' needs. We plan to share the results in next year's report.



Stakeholder Engagement

As we've become more sophisticated in our reporting, our stakeholders have a new understanding of our business, and their needs are adapting, too.

We routinely engage directly with our customers, investors, suppliers, and other stakeholders on sustainability and social impact to ensure they have accurate, credible information about our company. We make a point of communicating how we consider their priorities in our strategy as well.

We commit to:

- Practicing active listening — we're listening to the advice of experts and feedback from our customers, employees, investors, and community partners.
- Leveraging innovation and technology — we're investing in technology coupled with our domain expertise to deliver products that provide intelligence to operations while improving safety and reducing harmful effects on the environment.
- Emphasizing collaboration — our cross-functional teams and customers are working together on solutions that serve the greater good.
- Operating with empathy — the challenges we've faced over the last two years have made life overwhelming for many. We are striving to lead with empathy, kindness, and compassion.

Investor Transparency

Meaningful stakeholder engagements and partnerships are often at the heart of most successful sustainability and responsibility strategies. ConGlobal is no different; we believe in considering the perspectives of specific stakeholder groups on Environmental, Social, and Governance (ESG) issues and in our solutions which helps align our business strategy with sustainability. We take a holistic approach to put new initiatives in place that address all three concepts together.

ConGlobal places a high priority on communicating with shareholders and other investors.

Disseminating the Latest Information with Transparency and Fairness

ConGlobal shares information in a timely manner through disclosures, meetings, and briefings. Our investor relations policy, along with regular reporting, ensures transparency and fairness as we interact with our individual and institutional investors.

Relations with Investors

We regularly announce financial results and hold meetings to explain business strategies. We also conduct tours of our operations for investors.

Sustainable ConGlobal Governance

Working environment policy

ConGlobal workplaces are characterized as a safe and stimulating working environment that promotes good attendance, cooperation, and motivated employees.

Our leaders have ultimate responsibility for the working environment at ConGlobal. However, everyone at the workplace has personal responsibility for their health, working environment, and cooperation to ensure a pleasant working environment and an excellent corporate climate.

To achieve this culture, we will:

- Systematically review and evaluate the ConGlobal working environment.
- Set objectives each year for our ecological programs and including placing measures in the budget process.
- Invest in the continuous development for managers and employees around environmental issues.

Equality and Diversity Policy

Employment is based upon abilities, qualifications, attitude, and job-related factors. Every qualified employee and applicant has the same opportunity for hire, training, placement, promotion, compensation, demotion, termination, and benefits without regard to race, color, religion, sex, gender, national origin, pregnancy, ancestry, citizenship, genetic information (including of a family member), veteran or military status, physical or mental disability, age, sexual orientation, gender identity, medical condition, marital status, ethnicity, or any other classification protected by applicable local, state, or federal law.

Quality Policy

ConGlobal develops and provides multimodal, industrial, terminal services that satisfy quality, efficiency, and simplicity market demands.

Excellent service is achieved by:

- Being customer obsessed, honing our core business while transforming and developing new services.
- Fostering inclusion in our quality programs.
- Encouraging a continuous improvement mindset – we amplify our success when we do it together.
- Recognizing the value our employees bring to ConGlobal.
- Having a bias for action by taking ownership and seizing opportunities.

Environmental Policy

ConGlobal is committed to environmental leadership in all business activities.

ConGlobal is architected to provide a safe, healthy workplace while protecting the environment, conserving natural resources, and being a good global citizen. Our approach to managing Environmental Health and Safety is defined in the ConGlobal Zero Harm Commitment.

Leadership is responsible for establishing the overall Environmental Policy for the company, ensuring adherence, and reviewing each business unit's performance.

Sustainable ConGlobal Governance

Strategic Sourcing is responsible for selecting vendors and suppliers that comply with ConGlobal practices.

Each ConGlobal location is responsible for ensuring our employees and contractors follow all operational processes/procedures.

We believe in being remarkably transparent. By sharing our policies openly, we can achieve a healthy and safe environment.

We are committed to:

Being safety-focused. Our mission is to take care of each other, our customers, and our business. We commit to providing adequate training and the proper safety and emergency equipment.

Being an ethical, environmental partner in the communities where we operate and correcting conditions that endanger health, safety, or the environment.

Conserving natural resources by adopting pollution prevention practices.

Maintaining and improving operations and technologies to minimize health and safety risks, waste, and other pollution.

Using energy responsibly throughout our business, including creating an energy policy that emphasizes energy conservation, improving energy efficiency, and pursuing renewable energies over non-renewable options.

Participating in efforts that improve environmental protection and understanding.

Sharing appropriate pollution prevention technology, knowledge, and methods.

Promoting economically feasible and environmentally sound habitat protection objectives in cooperation with public and governmental agencies.

Adhering to stringent Federal and State requirements no matter where we do business, exceeding expectations when possible.

Promptly reporting all non-compliance issues according to applicable governmental reporting requirements, evaluating causes of non-compliance and implement corrective actions.

Committing to reviewing environmental regulations for compliance.

Establishing training and communications around environmental laws and regulations to ensure employees are aware and compliant.

Promptly correcting any practice or condition not in compliance with this policy.

Sustainable ConGlobal Governance

Safety Policy

The ConGlobal mission is to take care of each other, our customers, and our business. We operate in complex, industrial environments, making us passionate about creating a world where safety is at the center. We orient everything we do around a Zero Harm approach.

Zero Harm Commitment

ConGlobal is striving to achieve the goal of “Zero Harm” across our operations — meaning zero injuries, zero environmental incidents, and zero damage incidents.

We will succeed in achieving Zero Harm with the following practices:

- Everyone is part of the Safety Process.
- Employees are required to participate and comply with the Safety Program.
- Keep safety at the center.
- Provide sufficient resources for safety programs, including setting and monitoring objectives for continual improvement.

Leadership is responsible for establishing the overall Safety Policy for the company, encouraging adherence, and reviewing the performance of each business unit.

All ConGlobal locations are responsible for executing the safety objectives and ensuring compliance with all operational processes/procedures.

ConGlobal's Safety Pillars

We have established a set of General Safety Principles developed from the analysis of injuries and damage incidents across ConGlobal's lines of business.

1. Fit for Duty — Our employees are courteous, professional, and organized. We never start work without being rested, healthy, and ready. Each employee has dressed appropriately — this includes wearing appropriate PPE — and notifies the operational lead manager if they become fatigued or feel ill at work. We never work under the influence or while using any personal electronic devices.

2. Climbing and Walking — Our employees are aware of their surroundings and use 4 points of contact when mounting and dismounting equipment. We never mount or dismount on moving equipment and use extreme care in adverse conditions.

3. Equipment Operations — All employees are properly trained and qualified when work begins. We always wear a seat belt, follow the speed limit, and practice defensive driving techniques. Before operating equipment, we perform required inspections.

4. Pinch & Crush Points — We never place ourselves or a body part in an unprotected pinch point. We stay clear of equipment movements and ensure pedestrians or other mobile units are not in the red zone. Our eyes are always on task, and we use proper techniques to adjust/correct improperly positioned equipment.

5. Track & Movement Protection — We always verify track status FIRST and follow local guidelines. We never work on an unprotected or live track. We are alert to changing track conditions and keep PUC/foul lines clear.

6. Securement — We always ensure all equipment connections are secure (King Pin, Couplings, Bridge Plates). We control speeds and follow established procedures to prevent the unintended movement of equipment.

7. Emergency Response — Our employees follow all company and customer procedures. We report all incidents immediately to supervisors and abide by all life-saving processes (CPR, AED, First Aid and Emergency Response Plans).

Independent Verification

ASAE 3000 External Review of 2021 Sustainability report and related relevant data and documents

Scope: ConGlobal (international services) covering operations and services at 30 locations. The locations included were those for which ConGlobal controls site logistics, facilities, operations, and services. Corporate offices are also included for sustainability goals and initiatives related to corporate management and personnel and client support.

Sustainability Report Standard: GRI Sustainability Reporting Guidelines – 2023

Review Report Standard: ASAE 3000 – International Standard on Assurance Engagements (ASAE) 3000 (rev. June 2014).

Description of Control Framework:

There are several international sustainability professional organizations that provide guidance and training. GRESB and CISP guidance programs are commonly used and have established acceptance. ConGlobal has decided to use the GRI framework guidance and reporting tools for Infrastructure to build their sustainability report.

Sustainability frameworks include three major sections. These areas of organizational sustainability cover the broad scope of management and operation functions necessary to establish plans and resources to continue (sustain) organizational operations during and after disruptive events.

Governance: Active involvement by management, informed management with goals to improve the organization's long-term viability, foster reliable and engaged staff and become a responsible community member.

Environmental: Plans and operational methods to provide least negative impact on greenhouse gases, water and air quality, and reduce incoming resource usage and waste production.

Social: Valuing and supporting staff, customers, general community, becoming a better partner.

Independent Verification

Review Part 1 - Corporate Management Alignment with ESG frameworks:

Leadership Commitment to ESG initiatives:

ConGlobal has established business improvement initiatives over the past six years, independently from their sustainability reporting program. They include:

1. A continuous program to reduce in GHG emissions and fuel usage
2. Green energy and green locomotion evaluations of applicability and value added
3. The Zero Harm Commitment
4. The Responsible Labor Initiative
5. ESG, ethical and social compliance, and work injury and accident reduction and reporting initiatives

These efforts show a broad-based commitment to business management that is key to the development of a successful ESG sustainability program and reporting capability.

Risk management matrix:

The sustainability of the entity depends on addressing risks to the continued operation of the organization. These risks can originate internally from management decisions and communication, and externally from value chain partners, other stakeholders, competitors and environmental events and conditions.

The sustainability risks for the organization must be identified, researched and ranked to provide the necessary platform to build and implement the most effective sustainable solutions. ConGlobal's senior management and corporate Board actions, plans and reports are aligned with addressing these risks. The organization has adopted seven risk management evaluation and reporting standards including ISO9001, SA800 and ISO1400. Participation in adoption and reporting to these standards provides evidence of alignment to ESG requirements. In the past six years that CConglobal's senior management and corporate Board actions, plans and reports are aligned with addressing these risks. The organization has adopted seven risk management evaluation and reporting standards including ISO9001, SA800 and ISO1400. Participation in adoption and reporting to these standards provides evidence of alignment to ESG requirements. In the past six years that ConGlobal has shown recognition of their existing sustainability risks and has initiated proactive programs to begin to address those risks.

Independent Verification

Procedures and Controls: (Performance section of report)

GRESB's reporting framework has established 20 Performance areas (represented by the three-character symbols listed below as 2 alpha characters and 1 numeric character) that provide evidence of the operational ESG goals and actions, when considered and adopted for reporting of the organization's sustainability status and progress. ConGlobal has provided descriptions of their operations, resource use, emissions levels analyses and results for most Performance areas, or provided explanations of why the performance area is not applicable to ConGlobal. I have reviewed and reported on all the completed sections.

Review Part 2 - Results of Independent Review of Performance Actions:

The 20 performance areas and ConGlobal's responses are described and evaluated below.

Performance 1 – Implementation

IM1 – Environmental section was filled out with the expected areas of concern. Details are presented in the other environmental sections. Emphasis was placed on energy sources and usage (LED adoption), greenhouse gas emissions (replacing tier 1-3 engines with EVs), hazardous waste reduction and mitigation (California CERS permits), water inflows (plans for cleaning and reuse) and outflows (storm water permits) and the Net Zero program started in 2017 (EVs and LEDs).

IM2 – Social section presented a broad set of HHS initiatives that have been implemented to comply with labor laws, reduce potential bias and to enable employee, customer and value chain partners to participate in improving operational procedures and sustainable initiatives. The Inclusion and Diversity action described the use of social media and other direct contact channels to attract good candidates. Health and Safety actions are highlighted in the report and in corporate policies.

IM3 – Governance actions include the security actions necessary for protecting corporate assets. An independent review of the whole security environment could be justified to further enhance the protections. Procedures or areas including monitoring political contributions, avoiding bribery and other financial threats and independence of the board chairman were provided.

Independent Verification

Performance 3 – EN1 – Energy

I reviewed the completed spreadsheets for fuel, electricity and natural gas for completeness and application of the calculations, data applicability and descriptions in this section. The inputs were reviewed for applicability and completeness against the GRESB guidance documentation. The sustainability company representative noted that the ongoing program to adopt electric vehicles now is live at two locations. The natural gas and non-renewable electricity analyses represent the heating and lighting expenditures for the corporate office and the network of operational sites. The aggregation of these numbers across all sites was re-performed in this independent review; site-level calculations were not. The data and contributions within this Energy Performance section are consistent with the size of the organization and the logistics business. The report provides both area where green energy is being realized and many other areas that represent opportunities for improvement in efficient energy usage.

Performance 4 – GH1 – Green House Gas Emissions

ConGlobal used the Greenhouse Gas Protocol (ghgprotocol.org) approach to evaluate this. The organization provides tools and formulae to convert fuel and energy usage into the related emissions. Those tools and calculations were accurately applied in the spreadsheets attached to this Performance section. Within the spreadsheets, I sampled the calculation functions in cells to find their source cell references were appropriate. The usage inputs were also entered into the Energy Performance section above and were consistent between worksheets.

Performance 5 – AP1 – Air Pollution

Air pollution calculations were based on the EPA reference noted in the Green House Gas Emission calculation spreadsheet above, used to source the Emission Factor for different emission calculations. The inputs derived from ConGlobal operations and financial data used the Energy and GHG sections were also used to calculate the air pollution levels. The data and calculations were reviewed and determined to be consistent across all three sections.

Independent Verification

Performance 6 – WT1 & WT2 Water

Water usage across operation locations is a low volume impact environmental factor. Water is used to clean the insides of shipping containers and to wash down site surfaces. Corporate office water use is also very low and within expectations. Office water use is making increased adoption of water filters.

Performance 7 – WS1 – Waste

Waste is defined as on-site discarded, reusable or not-reusable, non-hazardous material that is repurposed or declared end-of-life. The relatively small amount of waste seems within expectations for a service organization. The amount of landfill waste has not changed much between 2021 and 2022. However, due to waste service reductions from waste recovery services that closed either temporarily or permanently, waste recovery was reduced. Trends to recover more waste are continued in the 2025 targets. These small waste disposal numbers seem feasible given that ConGlobal is a logistics service business with no significant physical output.

Performance 8 – BD1 - Biodiversity and Habitat

Based on discussions and review of the locations provided in this report, the depot and rail yard physical locations are not near any highly fragile biological sites. Many of the sites are fenced to prevent unauthorized human access, which reduces access by animals. It is a policy of the firm to attempt to safely remove wildlife that comes onto the work sites. The ConGlobal impact in the Performance 8 area is low.

Performance 9 – HS1 – HS4 - Health and Safety

HS1 – Health & Safety: employees. The numbers reported for hours worked were slightly lower and injuries were slightly higher those in 2021 inquires during review of the 2022 report results for safety controls and training confirmed the low numbers of reported injuries, which were below the plan number for 2022. This is a High Relevance Performance area.

Independent Verification

Through inquiry and review of human resources policies, I learned that ConGlobal has a well-defined Health and Safety program, supported by the Zero Harm policy. In addition, safety training is required annually for all employees. Contractors must go through the same safety training when first going onsite. The causes of the injuries should be reviewed to determine if there are common causal factors or other focus areas that can be used to update safety practices and policies and to enhance current training programs.

Performance 10 – EM1 & EM2 – Employees

Based in inquiry and inspection, I determined that ConGlobal has numerous programs to manage and support employees, including training available to all personnel, based on role, and fair family leave and bereavement policies.

Performance 11 – CU1 – Customers

Based on inquiry, ConGlobal has a customer satisfaction program that allows customers to report complaints and positive feedback and received and evaluated responses in 2022 to consider how to improve customer service.

Performance 12 – CA1 & CA2 - Certifications & Awards

I reviewed the contents of this section for scope and content. ConGlobal has been previously recognized by a broad range of organizations for corporate accomplishments and management has achieved a solid level of business training. At the May 2022 Climacon conference, ConGlobal received the **Tomorrow.io's ESG and Climate Adaption Award**.

Opinion:

Based on the inspections, reviews and discussions performed for this external review, I have concluded that the sustainability report and the related supporting documentation and calculations are accurate and provide evidence that the report and the related sustainability program have been adopted broadly and supported by actions throughout the organization.

Lowell Smith, ISSP Sustainability Associate