



IMC

We are where

SUSTAINABLE DRAYAGE

is going



**JOIN IMC IN CREATING A
GREENER SUPPLY CHAIN**



PRINTED ON RECYCLED PAPER

Hear from our Pacific Region President



One needs only to drive around the communities near the California ports to know that we must strive to do better to protect our environment, and those who work and live there. That's why IMC Logistics is proud to be an early adopter of alternate energy sources, sustainable equipment and emerging technologies.

I believe our blended approach to sustainability gives our customers options to reduce their environmental footprint while also managing a reliable supply chain. With electric, hydrogen and renewable diesel trucks in our fleet, our aim is to become an expert on these technologies for our industry. Doing so will benefit our communities in Southern California, where 60% of our neighborhoods contend with air quality issues daily.

In addition to Class 8 tractor deployments, we have also invested in charging infrastructure at our Compton location as well as electric yard hostling equipment and forklifts. We're completing our next phase of infrastructure investments now for our Fontana facility that supports distribution centers in and around the Inland Empire area of Southern California. We've taken a careful look at all of our facilities to include interior and exterior LED lighting to dramatically reduce energy consumption and become a carbon neutral operations.

Our desire is to be a good steward of the environment and work to find even more ways to reduce emissions while providing efficient and sustainable supply chain transportation solutions. We strive to share our achievements with you in this report and hope that you will want to join with IMC Logistics in driving sustainable drayage solutions for our nation's supply chain, improving the environment for all.

A handwritten signature in black ink, appearing to read 'Jim Gillis', with a long horizontal stroke extending to the right.

Jim Gillis, IMC Pacific Region President



IMC's Sustainability Statement

As the largest marine drayage company in the nation and a global thought leader in the industry, it is incumbent upon us to operate in a manner that protects the environment and enables longevity for all involved in the supply chain – from shippers to end users and beyond. We believe so much in the power of drayage that we want to practice it in a way that enables it to continue indefinitely.



Our Responsibility

IMC Logistics' contribution to protecting the environment is multi-faceted with a history of dedication to environmentally friendly practices. We are proud to be early adopters of alternate energy sources, sustainable equipment and emerging technologies. In fact, our goal is to replace all diesel day cab tractors in California by 2028 with sustainable technologies, far ahead of the mandate of 2035. We pride ourselves on being good stewards of the environment and the communities that have enabled us to be the marine drayage leader. Therefore, it is our responsibility to lead the charge for environmentally sound practices for our current industry peers and future generations.



Our Sustainability Timeline

IMC Logistics has worked to improve the environment for well over a decade. We began the shift to carbon neutrality through our adoption of renewable diesel and joining the SmartWay Transport Partnership, a collaboration between U.S. Environmental Protection Agency (EPA) and the Trucking Industry to measure transportation efficiency. IMC's Pacific Region was later named to the SmartWay High Performer List, a designation given to less than 15% of drayage carriers.

IMC Logistics continues convert to non-zero assets to zero emission equipment at our facility in Compton, now a fully carbon-neutral operation. As part of our blended approach to sustainability, IMC has invested in energy-saving technology through a \$2 million purchase of electric charging stations to support our electric vehicles and a \$22 million purchase of hydrogen fuel cell class 8 tractors. We have the largest scale deployment of hydrogen fuel cell trucks on the West Coast, and we are targeting a second sizable deployment in the Oakland market. **It is IMC Logistics' goal to replace all diesel day cabs with zero emission vehicles by 2028.**

2010

Early adapter of renewable diesel fuel in California

2012



2021

IMC Pacific Region named SmartWay High Performer

2022

IMC invests in electric trucks for our Pacific fleet with Volvo SWITCH-ON Program

2023

Transitioned to electric hostlers and forklifts in CA, achieving carbon neutrality

2024

Invests in charging stations and largest deployment of Nikola hydrogen trucks in US

2025

Targeting large scale deployment of hydrogen fuel cell EVs in Oakland

2028

Goal to replace all diesel day cabs in Pacific Region to ZEVs



A Blended Approach

IMC Logistics has a blended approach to deploying zero emissions vehicles to our sustainable fleet. Specifically, we have made substantial investments in both electric and hydrogen-powered trucks – both of which have unique benefits and serve a specific role in the supply chain. These units have been deployed in Southern California, where 60% of communities contend with air quality issues daily. In addition to the hydrogen and electrical zero-emission vehicles, IMC has added 117 diesel tractors with emission reduction technology that all run on renewable fuel. For our fleet, renewable fuels provide a 60% reduction in CO2 emissions over regular ULSD diesel. It is this blended approach that allows IMC Logistics to provide sustainable drayage solutions for a variety of customer needs.

Sustainable Infrastructure

Simply deploying these zero emission vehicles is not enough. To be successful, planning for charging electrical vehicles is crucial. To support the charging of our ZEVs, IMC Logistics installed a system of chargers for our electric tractors with internal battery storage to our Compton and Fontana facilities. This allows our team to charge the tractors any time, regardless of electrical grid status. The charging stations then replenishes itself when the grid stress is least, reducing our burden on California's electric infrastructure.



Our Sustainable Equipment



VOLVO ELECTRIC TRUCK

- Next generation zero tailpipe emission Class 8 Electric Semi Truck
- 165 Mile range with 565 kWh battery capacity
- Powered by IMC's on-site renewable electric charging stations



ORANGE EV E-TRIEVER ELECTRIC YARD HOSTLERS

- Zero-emission yard hostler
- Extended battery - 500 kW, that charges in just two hours
- 81,000 container capacity



HYDROGEN TRUCK

- Nikola Class 8 Hydrogen Fuel Cell Electric Vehicle
- 500 Mile range of 536 continued horsepower with a refueling time of just 20 minutes or less
- Converts hydrogen into electric power by combining it with oxygen, while releasing no tailpipe emissions.

Shaping the Future

As the largest marine drayage provider in the nation and with the largest deployment of hydrogen fuel cell vehicles in the nation, IMC Logistics is not just a consumer of Nikola Class 8 trucks. Our drivers and Fleet Managers regularly provide feedback to the manufacturer, which is shaping both the functionality and performance of the hydrogen fuel cell EVs. We are proud to be early adopters of the technology and shaping the future for all fleets.



We're Carbon Neutral in Compton and Beyond!

IMC Logistics has taken an aggressive stance with facility improvement, both in warehouse operations as well as general electrical savings. All IMC facilities in California have been upgraded to both interior and exterior LED lighting to dramatically reduce energy consumption. The IMC transload facility located in Compton has converted to an all-electric forklift model and battery electric yard hostler at this site. We're proud that our Compton facility is powered by 100% renewable energy and completely carbon neutral. We are in the process of applying this same technology in other IMC locations.

As IMC Logistics continues to grow in California, we specifically look for locations with heavy power electricity availability so we may deploy chargers to support additional EVs in our fleet in the future.

DID YOU KNOW?

**IMC HAS THE
LARGEST
DEPLOYMENT OF
HYDROGEN TRUCKS
IN THE NATION.**



A Groundbreaking Sustainable Process

Being a sustainable drayage carrier is not just about equipment, it takes “out of the box thinking” in improving the supply chain process. That’s why we developed SmartStacks, our proprietary version of a “peel pile” that improves port efficiency, decreases dwell time and enhances the cargo experience for shippers, drivers and end users alike. With SmartStacks, the containers of multiple shippers are placed into the same peel pile. Using IMC’s proprietary app, drivers instantly see the container’s destination and can choose to deliver the container to its final destination or instead bring it to a nearby IMC depot.

We also maximize the process by utilizing Matchback. We save customers’ time and money by matching loads to containers traveling back to the desired location. Matchback allows us to put your cargo in to containers that would otherwise travel back to a designation empty. Leveraging these methodologies, IMC has increased driver productivity, eliminated wasted lifts, and made cargo more accessible to our customers.



FMS Collaboration

IMC Logistics and Fenix Marine Services (FMS) have joined forces to operate the supply chain industry’s first fully clean energy SmartStack. This groundbreaking initiative launched in 2024. FMS segregated and stacked the containers designated for the IMC SmartStack at their terminal using their hydrogen fuel cell top-pick handler. IMC drivers then pick up and deliver containers using our fleet of zero-emission vehicles. This collaboration highlights the industry’s commitment to reducing carbon emissions while ensuring efficient and sustainable logistics operations.

The SmartStack process itself is a clean one. Drivers self-assign the most available container vs. a specific one. This means fewer unproductive lifts for terminal operators and less time waiting for the driver. In addition to achieving environmental objectives, customers also benefit from shorter wait times. “IMC SmartStacks improve the process for shippers, drivers and the industry,” said Mason George, president of National Accounts at IMC. “With this solution, we’re able to offer our customers a sustainable way to evacuate containers from the terminal, while quickly delivering their containers in just two days or less.”

With the IMC Logistics and FMS SmartStack Collaboration, we are able to evacuate 300 containers from the terminal in just 24 hours.

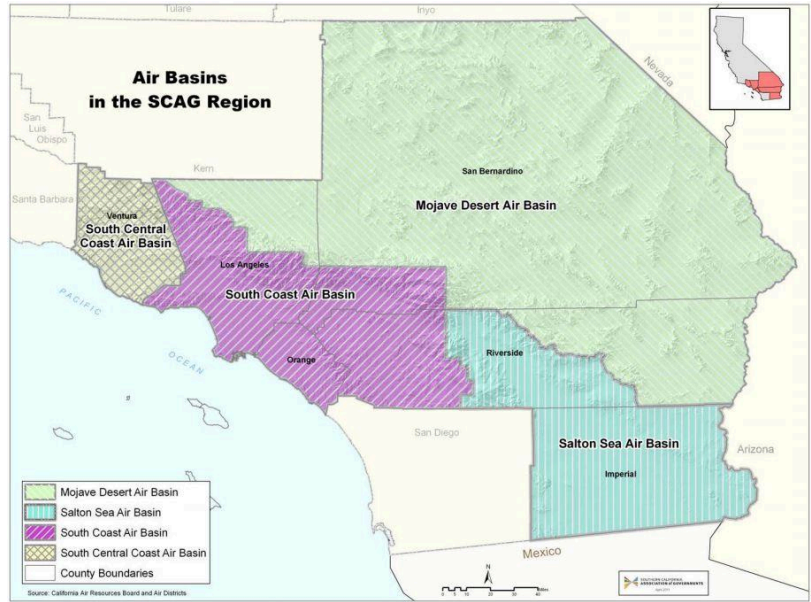
California's Indirect Sourcing Rule (ISR)

Managing your supply chain in California can be a daunting task. With the implementation of Advanced Clean Fleets and Indirect Sourcing Rules, it's important to stay up-to-date on the latest regulations. IMC Logistics is the expert and can help navigate these rules with you.

Warehouse operators within the South Coast Air Basin are subject to new information gathering, recordkeeping and reporting requirements on the trucks servicing their locations. However, many operators still need to comply with the South Coast Air Quality Management District's Warehouse Indirect Source Rule.

As part of the rule, which applies to portions of Los Angeles, Riverside and San Bernardino counties and all of Orange County, warehouse operators incur points obligations on a weighted basis based on their size.

Warehouse operators must earn a specified number of points through emissions-reducing activities or pay mitigation fees. Every time a non-zero emission truck enters a facility, the penalty increases. If it is a clean truck, warehouse operators receive a credit. Let IMC Logistics guide you through the ISR process. We can provide not only zero-emission vehicles, but also assist with securing points-earning opportunities.



SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT PROPOSED RULE 2304; I.E., ISR 2.0

California's South Coast Air Quality Management District has proposed the implementation of an Indirect Sourcing Rule for commercial marine ports and container terminals through Proposed Rule 2304. This rule, referred to as ISR 2.0, will prioritize contracts with ocean carriers and freight forwarders who contract with zero emission drayage fleets.



Community & Industry Involvement

At IMC Logistics, we're committed to improving our neighborhoods. As such, we regularly participate in community outreach events to share the benefits of our zero emission vehicles and carbon neutral operations. We frequently present the benefits of sustainable drayage and zero emission fleets at industry events nationwide and host tours of our carbon-neutral facility in Compton.



Jim Gillis, IMC Pacific Region President, speaking at the Advanced Clean Truck Expo



Long Beach Touch-a-Truck Event



IMC at the Grand Opening of APM Terminals Clean Truck Lane



IMC hosted the Ports and of Long Beach and Los Angeles Sustainable Supply Chain Advisory Committee at our Pacific Region HQ in Compton

About IMC Logistics

In an industry challenged by unpredictability and change, IMC is leading the way with innovation, throughput and truck capacity. But we got there the hard way. Starting as a regional drayage firm over forty years ago, patiently putting together a national network, leveraging local expertise, and building a technology infrastructure that moves containers faster. Welcome to the future of getting things there.

IMC Logistics' contribution to saving the environment is multi-faceted with a history of dedication to environmentally friendly practices. We are proud to be early adopters of alternate energy sources, sustainable equipment and emerging technologies. We have a goal of operating all zero emission day cabs by 2028 and are working hard to save the environment we work in. By partnering with IMC Logistics for your sustainable supply chain solutions, you are helping us protect the environment. **IMC is Where Sustainable Drayage is Going.**



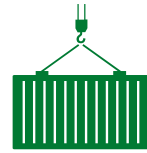
2,000,000

TEUs moved
annually



2,300+

Team
Members



20,000+

Containers and Chassis
stored daily



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SUSTAINABILITY COMMITMENT