

SUSTAINABILITY ATWORK A WHITE PAPER BY IMC COMPANIES



What is sustainability?

Sustainability can be described as a societal goal in which businesses and individuals do their part to avoid depleting natural resources so that we may maintain environmental and ecological balance, preserving our longevity and assets on planet earth.

What is our responsibility?

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.

Leading by Example

As a corporation, we must engage in sustainable practices across all of our facilities, including at our corporate headquarters. When we unveiled the new IMC headquarters earlier this year in Collierville, TN, we intentionally leveraged the latest innovations in energy-conscious design including LED lighting, high performance plumbing and mechanical equipment and reflective roofing.

It is our intent to be the gold standard in the industry when it comes to sustainability. Simply, we believe so much in the power of drayage that we want to practice it in a way that enables it to continue indefinitely.



A Sustainable History

For more than a decade, we have been part of the SmartWay® Transport Partnership, an innovative collaboration between U.S. Environmental Protection Agency (EPA) and the trucking industry. SmartWay® helps carriers advance supply chain sustainability by measuring, benchmarking and improving freight transportation efficiency. Pacific Drayage Services (PDS), an IMC Company located on the west coast, was an early adopter of Renewable Diesel and has recently been named to the SmartWay® High Performer list. We continue to aim to be a good steward of the environment and we will work to find even more ways to reduce emissions while providing efficient and sustainable supply chain transportation solutions.

Sustainable Practices & Equipment

Building a sustainable business means investing in sustainable equipment and emerging technologies. PDS and IMC were able to recently showcase an example of this investment during the recent Intermodal Association of North America (IANA) Intermodal Expo in Long Beach, California. On display was a beautifully wrapped Volvo VNR2, a second generation battery electric vehicle (BEV), soon to join the PDS fleet along with 5 other BEVs. PDS received a grant from California's Hybrid and Zero Emission Truck and Bus Voucher Incentive Project (HVIP) that, coupled with a sizable investment from IMC Companies, will enable us to deploy these units in Southern California, where 60% of communities contend with air quality issues daily. Our goal is to replace all diesel tractors in California by 2028 with sustainable technologies.

Electric charging infrastructure is currently being installed in PDS' Compton, CA facility to facilitate usage of these 6 BEV's along with future BEV acquisitions. In addition to Class 8 BEV deployment, PDS has taken an aggressive stance with facility improvement, both in warehouse operations as well as general electrical savings. All PDS facilities have been upgraded to both interior and exterior LED lighting to dramatically reduce energy consumption. The PDS transload facility located in Compton has converted to an all-electric forklift model and has also recently received a CORE (Clean Off-Road Equipment) grant to facilitate the purchase of a Battery Electric Yard Hostler from Orange EV. We're proud to announce that as of Nov 1, 2022, our PDS Compton facility is powered by 100% Renewable Energy and completely carbon neutral. Our goal is to replace all diesel tractors in California by 2028 with sustainable technologies, which is well before the state of California's goal of Zero Emission by 2035.



A Sustainable Process

Maximizing sustainability is as much about process as it is about equipment. Arguably the biggest breakthrough in drayage since the container has been our development of SmartStacks, our very own proprietary version of the "peel pile" process that improves port efficiency, decreases dwell time and enhances the cargo experience for shippers, drivers and end users alike.

In a typical peel pile process, drivers pull up to the indicated "pile" and simply take the top container from the terminal to "peel" from the pile, versus waiting for a specific container that could be located anywhere in the pile. 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.

Leveraging this new methodology, IMC has tripled driver productivity, eliminated wasted lifts, and made cargo more accessible. Specifically, the SmartStacks process has decreased container dwell time from 12 days to under 2 days and has reduced fuel usage and truck emissions by cutting idling time by 67%. In addition, SmartStacks improves chassis utilization and facilitates empty container returns, a win-win for everyone - especially the environment.



CAPACITY The key to SmartStacks is our cacapity at nearby depots,



DRIVER NETWORK

the largest driver network in the U.S.



TECHNOLOGY

and the technology to coordinate it all.

