

2025 Sustainability Report



PREPARED BY
Interstate Group Holdings

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Executive Summary

As part of our enterprise-wide sustainability commitment, multiple departments have implemented measurable initiatives to reduce environmental impact, improve efficiency, and lower costs.

We have each embedded sustainability into their daily workflows through digital transformation, paper reduction strategies, electronic payments, and responsible records management. Collectively, these efforts significantly reduce paper usage, toner consumption, mail volume, storage requirements, and operational expenses.

Introduction

At Interstate Group Holdings (IGH), we actively pursue initiatives that reduce our ecological footprint, promote environmental accountability, and deliver long-term value to our stakeholders. As part of our enterprise-wide sustainability commitment, this report outlines our 2025 initiatives and how departments across the organization have embedded environmental responsibility into their daily workflows.

Sustainability Policy Statement

IGH and its subsidiaries recognize their opportunity to protect and preserve the natural environment through responsible practices. Our policy focuses on:

- Complying with all relevant environmental regulations—and exceeding them where feasible
- Continuously improving how we measure and reduce our environmental impact
- Training staff and engaging partners in responsible, sustainable behaviors
- Integrating environmental considerations into business decisions and operational planning
- Publishing transparent reports on our sustainability efforts

Executive Leadership is responsible for ensuring adherence to these principles. Our policy is reviewed annually and updated based on audits and results.

Climate Commitment

We recognize climate change as a critical priority for our interested parties and a key factor in the long-term resilience of our logistics, relocation, and supply-chain operations. We are committed to identifying climate-related expectations and integrating these considerations into transportation planning, facility operations, supplier engagement, and service delivery. Where specific climate-related requirements or mandates are identified, we systematically assess operational impacts and implement appropriate measures to align with stakeholder objectives, enhance supply-chain resilience, and support responsible environmental stewardship.

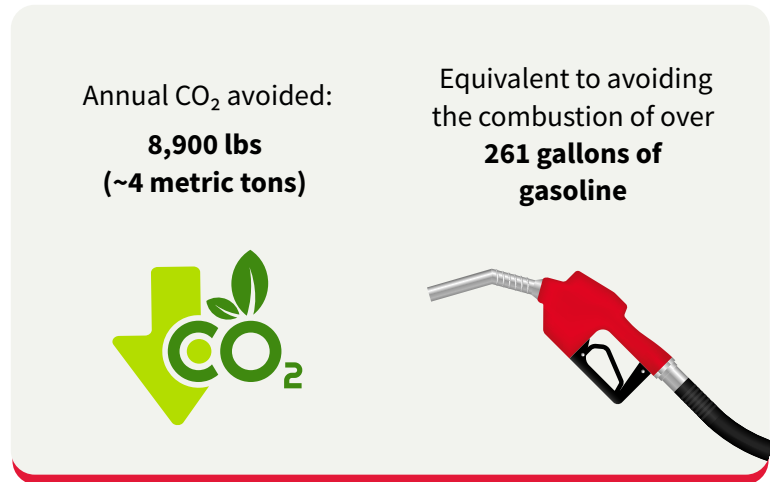
Emissions Reduction & Fleet Operations

Emissions Reduction Through Virtual Tools

Transitioning from in-home to virtual pre-move surveys helps cut down on vehicle travel, directly reducing emissions associated with fuel use.

- Average emissions from an in-home survey: **8.9 lbs of CO₂ per 10-mile round trip**
- We completed over **580 virtual surveys** in 2025.

These reductions demonstrate how simple changes in customer interaction can significantly reduce our carbon footprint.



SmartWay Certified Carrier

IGH is a certified partner in the U.S. Environmental Protection Agency's (EPA) SmartWay program, which helps transportation companies track and improve environmental performance.

- SmartWay provides reliable emissions data and a benchmarking tool for continuous improvement
- Our 2025 EPA emissions data indicates that IGH is well-aligned with industry environmental performance standards
- Our goal is to continue to be a Smartway Carrier as well as continued reduction in CO₂ Total Emissions. Comparing 2025 to 2024, we reduced our CO₂ Emissions by approximately 74%.

Participation in this program ensures IGH fleet operations remain both transparent and accountable.



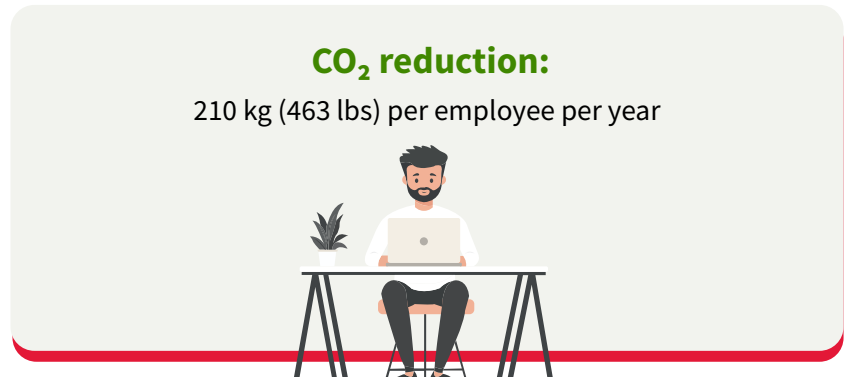
Energy Efficiency

Office & IT Energy Efficiency

Hardware decisions also have environmental implications. Switching from desktops to laptops is a simple but impactful way to reduce energy use across the organization.

- Average desktop energy use: 400 kWh/year
- Average laptop energy use: 100 kWh/year
- **Energy saved per employee: 300 kWh/year**

We encourage our remote employees to utilize laptops versus desktops for energy efficiency and natural lighting.

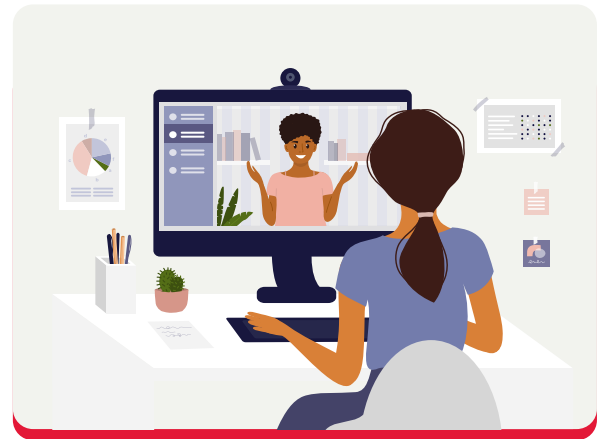


Remote Work and Environmental Impact

Our shift toward flexible work arrangements has generated sustainability benefits beyond cost and convenience.

- **Reduced Carbon Emissions:** Fewer commutes lower fuel use and emissions
- **Lower Office Resource Usage:** Reduces electricity, water, and waste
- **Energy-Efficient Home Offices:** Many employees adopt eco-conscious practices

Beyond environmental benefits, remote work also offers key advantages that enhance the way we work:



- **Improved Work-Life Balance:** Team members can better manage personal and professional responsibilities, leading to higher satisfaction and well-being.
- **Greater Flexibility:** Without the need to commute, we can adapt our schedules more easily—staying longer when needed or finding our most productive hours.
- **Broader Talent Pool:** We're no longer limited by geography when looking for new talent. Remote work allows us to tap into a wider, more diverse range of skills and experience from anywhere in the world.

In an effort to improve collaboration, we are reviewing our Hybrid policy, and plan on implementing a new version in 2026.

Reusable Materials and Waste Reduction

IGH made targeted investments to reduce waste through reusable materials and recycling:

Plastic Moving Crates

- Original purchase of 1500 crates was intended for Logistics only; however, throughout 2025 we began utilizing on HHG moves
- Replaces disposable cardboard boxes for office, apartment, and senior moves
- Returned, cleaned, and reused for future projects

Polynite Floor Protection

- Durable, reusable floor covering material
- Replaces masonite, a wood-based product with limited lifespan
- Used in both Logistics and HHG moves



Recycling Initiatives

- Metal from Logistics projects recycled locally in Woodbridge
- Cardboard collected at all our facilities is compacted and recycled

These actions demonstrate how our operations can support both business efficiency and environmental responsibility.



Office Services & Records Initiative

Digital-First Documentation

Office Services & Records prioritizes electronic intake, scanning, and digital record storage to reduce paper usage and eliminate physical files. By replacing printed documentation with electronic formats, we are minimizing our reliance on paper products and improving operational efficiency.



Key Actions:

- Electronic intake of documentation
- Secure digital record storage
- Conversion of legacy paper files to digital format
- Digital training via Allison LMS (78 modules completed; approximately 3,900 pages of paper saved, equating to nearly 7 reams)



Year-over-Year Cumulative Paper Savings

2023: **129,276** pages
2024: **258,552** cumulative pages
2025: **387,828** cumulative pages

Environmental Impact

Saved 775.66 reams paper or almost **39 trees** since 2023

Controlled Printing Practices

Printing is limited to business-critical needs to encourage digital review, approval, and distribution.

Impact:

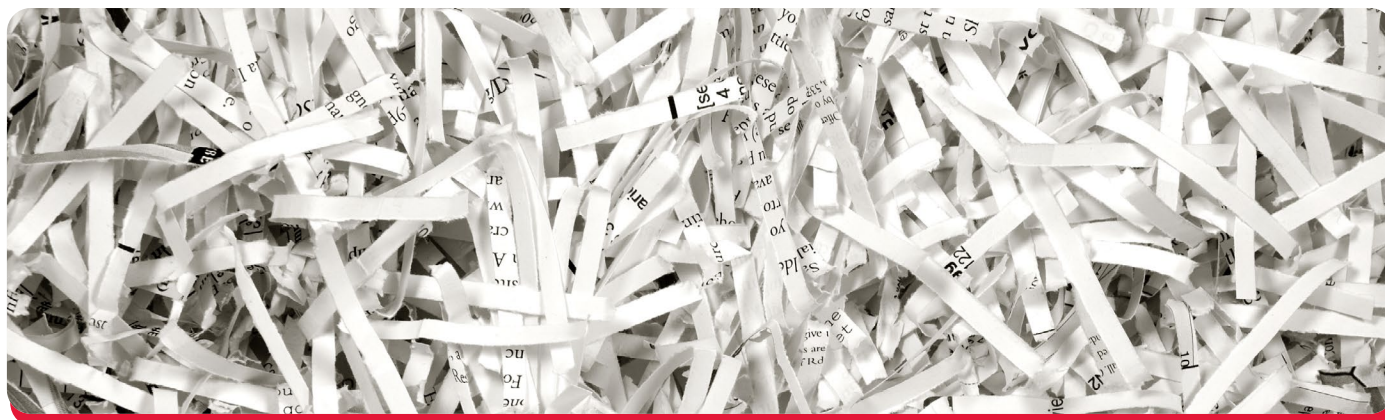
- Reduced paper and toner usage
- Increased electronic workflow adoption

Records Retention & Monthly Shredding

The Records team maintains retention schedules to ensure timely, compliant destruction of outdated materials.

Key Actions:

- Enforcement of retention timelines
- Monthly shredding services
- Secure destruction and recycling
- Reduced long-term storage needs



Recycling & Mail Optimization

Office Services coordinates recycling efforts and consolidates outbound mail whenever possible.

Key Actions:

- Recycling of shredded paper
- Consolidated shipping practices
- Increased use of electronic correspondence

Office Services & Records — Measurable Outcomes

- **20–35%** year-over-year paper reduction
- **60–80%** electronic record adoption
- **25–40%** printing reduction
- **30–50%** physical storage reduction over time
- **50–70%** landfill diversion of paper materials
- **15–25%** reduction in outbound mail volume
- **10–20% annual operational cost savings**

Van Lines Sustainability Initiative

Transition from Printed Reports to Excel-Based Reporting

The Van Lines department transitioned from printing interline reports to working exclusively in Excel-based digital files. This shift represents one of the most impactful department-level sustainability improvements, demonstrating the financial and environmental benefits of digital conversion.



Impact:

- Significant reduction in daily paper usage
- Substantial decrease in toner consumption
- Streamlined digital data management
- 95% year-over-year reduction in department supply costs, exceeding the 50% reduction goal.

Accounting Sustainability Initiatives

Reduction of Paper Waste

■ Weekly Check Run Optimization

Currently, weekly check run reports generate over **1,000 printed pages** due to system programming.

Improvement Opportunity:

- Modify programming to eliminate unnecessary printed reports
- Transition to electronic review dashboards

Measurement Metric:

- Track number of pages printed weekly
- Monitor associated toner and electricity usage

■ Concur Expense Implementation

Implementation of Concur expense management has reduced paper receipt submissions.

Measurement Metric:

- Verify number of transactions processed through Concur annually
- Compare paper-based vs. digital submissions

■ ACH Payments for Vendors

Transitioning to ACH payments eliminates the need for printed checks. For 2025, we had a total of 975 different vendors compensated and 78% of those transactions were completed via ACH.

Impact:

- Reduction in check stock usage
- Lower envelope and postage consumption
- Decreased printer and toner usage

Looking ahead to something additional in 2026, each of our four facilities will plant one tree—either on-site or by providing a tree to an associate to plant.