

## Environmental & Sustainability Initiatives

At KAR Global, our primary commitment is to our shareholders, our customers, our people and our communities. Importantly, as a publicly traded company our foremost responsibility is to generate long-term value for investors that own stock in our company. Toward that end, we aim to provide the very best value and service possible while pursuing a business strategy and operating decisions that strengthen our competitive positioning both now and in the future. We are always looking to the future—evaluating new opportunities and ensuring our companies are equipped to deliver on our customer commitments.

Within our local communities, KAR aspires to be a positive influence and conscientious corporate citizen. Both our management and our Board of Directors recognize that when our people and communities thrive, KAR thrives. We understand the importance of doing our part to be responsible stewards of the environment and our natural resources—and we actively seek efficiencies that may help improve the environment and climate.

### Green Initiatives at KAR Global Headquarters

In July 2019, KAR completed the relocation of our corporate headquarters into a new, custom-designed campus, which was awarded the *2020 Commercial Beautification Award for Excellence in Urban Forestry* by the City of Carmel, Indiana. From construction through current building management, the campus features a variety of sustainability-focused features, including:

- **Lighting and Occupancy Sensors:** KAR Global HQ features LED lighting throughout the building, which improves efficiency while minimizing energy requirements. Occupancy sensor switches activate lighting based on usage to further reduce consumption.
- **Climate Control Efficiencies:** Light-sensitive switches leveraging solar-adaptive technology on each floor automatically raise and lower floor-to-ceiling shades to dampen the impact of heat from direct sunlight, thereby reducing the energy needed to maintain internal climate controls throughout the building. In addition, the building features high efficiency HVAC mechanical units, which are programmed to run at maximum efficiency.
- **Recycling:** The campus prioritizes recycling, with dedicated receptacles found at each print/copier station throughout the building as well as in the café and cafeteria areas and each floor's social hub. Employees no longer have individual trash receptacles, encouraging them to change their behaviors and minimize consumption of non-recyclables.
- **Reusable Mugs, Dishware and Utensils:** The dedicated coffee stations at each floor's social hub feature reusable mugs, minimizing waste. The employee cafeteria serves food on china dinnerware with stainless steel utensils. To further enhance the company's green efforts, there are no plastic utensils or Styrofoam dishware in the building.
- **Responsible Paper Consumption:** The dedicated print/copy stations on each floor feature FollowMe printing; documents are not printed until initiated at the printer, thereby reducing paper usage and eliminating unwanted print jobs. Print settings also default to two-sided, further reducing paper usage and waste.
- **Green Commuting Made Easy:** Employees are encouraged to leverage alternative transportation options to reduce their carbon footprint. The campus features dedicated bicycle parking and repair stations for personal bikes, and we are exploring installation of electronic



vehicle charging stations. Under the company's Work from Home policy, certain positions now allow for remote work, eliminating the employee commute entirely.

- **Water Stations:** Each floor features multiple water bottle fill stations, featuring purified water and reducing disposable plastic consumption with reusable water bottles.
- **Recycled Rainwater:** The campus features surface filtration strips that clean rainwater which is then stored beneath the parking lot. Native planted detention basins and ponds add additional storage and cleanse the water before it rejoins the water shed. The campus irrigation system is fed from the pond; city water is not needed, thereby reducing the load on the water system and conserving water.

## Green Initiatives at Our ADESA Canada Operating Sites

As our vehicle logistics centers are expanded and upgraded, we actively work to incorporate energy efficiencies, water usage, and lighting optimization programs. Beyond these ongoing initiatives, we frequently explore new approaches, including:

- **Comprehensive Recycling Programs:** Our vehicle logistics centers prioritize recycling, both in administrative office spaces as well as our vehicle repair shops. Post-consumer papers, plastics and metals are just the start; auto parts, vehicular body panels, aerosol cans, tires, batteries and other metals are also included in our program.
- **Water Cleaning and Reclamation Systems:** As part of our commitment to responsible water usage, the detail shops at our ADESA locations feature water cleaning systems that allow us to either reclaim, clean and reuse the same water, or alternatively clean and release the water.
- **Vehicle Charging Stations:** As electric vehicles become more widespread, we are upgrading our vehicle logistics centers to include vehicle charging stations.
- **Digital-Only Sales Format:** With the conversion to a digital-only sales format, ADESA Canada no longer runs vehicles through auction lanes. This increases safety while reducing carbon emissions associated with vehicle movements within each vehicle logistics center.

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