



CASE STUDY

INDIANA TOLL ROAD

INFRASTRUCTURE

April 2019

At a glance¹



157 miles
Length of ITR



\$200 million+
investment in 80/90
PUSH Project to improve
customer safety
and experience



81%
Reduction in lost
time injury rate between
2014 and 2017



\$75 million
Investment in
redevelopment of eight
travel plazas



Zero
Snowplow collisions
during 2017

A strong safety culture embracing technology

With a focus on improving employee and customer safety, IFM Investors has been driving a robust safety culture at the Indiana Toll Road operating company since acquisition. A diligent approach to transforming the safety culture and leveraging technology has resulted in measurable safety improvements.

A vital asset in the Midwest and Northeast US regional economy

The Indiana Toll Road (ITR) is a toll road spanning 157 miles (253 kilometres) across Northern Indiana in the US. ITR runs from the Ohio border to the Illinois State line, connecting the US Midwest with the Eastern Seaboard of the United States. ITR is a vital asset in the US Midwest and Northeast transportation and logistics networks.

IFM Investors acquired ITR Concession Company (ITRCC) in May 2015. ITRCC is responsible for the operation, maintenance and repair of the ITR, operating under a long-term concession.

Driving a robust safety culture

Cultivating and driving a safety culture has been a key priority for IFM Investors since acquisition and IFM Investors has worked closely with ITRCC on safety controls to better manage and reduce the likelihood of adverse safety incidents.

Shortly after acquisition, IFM Investors filled key management positions, including the Chief Executive role, with the aim of driving key

initiatives around safety. This included launching ITRCC's Safety First Plan. The Safety First Plan set out a three-year strategy and initiatives to improve customer and employee safety, which the company continues to review on an annual basis.

Immediate actions following acquisition to remediate existing deficiencies in workforce safety practices included:

- Taking a safety inventory of fleet facilities for vehicle repair /replacement assessments;
- Communications from the Chief Executive reinforcing the company's safety message;
- Scheduling of frequent safety training sessions to further embed the safety message; and
- Implementation of safety committees focusing on identifying issues and driving improvements.

Leveraging technology for improved road safety

ITRCC has implemented several key customer and first responder-focused safety initiatives since IFM Investors' acquisition. As outlined

¹Indiana Toll Road 2017 Sustainability Report or the following URL: <https://www.indianatollroad.org/wp-content/uploads/2017SustainabilityReport.pdf>

below, these initiatives leveraged the power of various technologies, in addition to community engagement, to achieve measurable improvements in safety for road users.

80/90 PUSH Project

The 80/90 PUSH project has seen an investment of over US\$200m in the safety and operational performance of the ITR. The project was completed in 2018 under budget. Approximately 240,000 labour hours were spent on the project with zero lost time injuries (LTIs). Project PUSH activities designed to improve safety for road users included:

- Rehabilitating over 70mi (113km) of pavement and improving 53 bridges;
- Removing 27 crossovers between Portage and Elkhart, a stretch of approximately 70mi (113km), which enhances customer safety by reducing the number of incidents caused by drivers crossing into live traffic;
- Installing 67mi (107.8km) of fibre optic

Responsible Investment Principles in Practice - Putting 'Safety' into ESG considerations.

IFM Investors recognises the assets we own impact the lives of millions of people worldwide. As such, we believe we have a responsibility to improve our assets in a way that allows consumers, employees, communities and investors to benefit from our approach to managing ESG risk, without compromising long term returns.

We place high priority on workplace safety and the health and wellbeing of employees at the assets we own, as well as the safety of customers and communities our assets serve.

To learn more about the beliefs, behaviours and principles underpinning our responsible investment approach, please refer to our Responsible Investment Charter.



Road Safety Awareness

cabling that forms the backbone of the Intelligent Transport System.

Intelligent Transportation System

The first phase of the ITR Intelligent Transport System (ITS) went live in February 2018, incorporating state-of-the-art information capabilities to inform customers and other road users about driving conditions.

This major road-safety project aims to modernise ITR's traffic management capabilities and improve safety for customers and first responders.

Employing an Advanced Traffic Management System as the platform for ITS, ITR's traffic management centre is now better positioned to provide advanced incident messaging, while reducing speeds and monitoring traffic flows. ITS also facilitates improved incident response and weather management via overhead message boards, speed limit signs, and incident detection cameras.

Sections of the road where ITS has been deployed are experiencing improved safety conditions and a lower accident rate for road users, as the technology has enabled:

- A reduction in secondary crashes through up-stream customer messaging;
- An increase in incident management response through use of on-road cameras; and
- A reduction in speed limits in advance of road hazards and adverse weather conditions.

Subsequent phases of the project will see fibre optic cabling and the ITS rolled out along the entire length of ITR.

Vehicle Operation Safety Improvements

To improve visibility during winter weather storms, reflective chevrons and enhanced warning lights were added to the snow plow fleet. This helped result in zero snow plow collisions during 2017.

Travel Plaza Rebuilds

The redevelopment of eight travel plazas along the ITR was completed in July 2018. The newly designed structures feature modern travel facilities with state-of-the-art technology and new restaurant options. In the new plazas ITRCC has enhanced communication with consumers around potential safety risks such as adverse road conditions.

Ongoing safety management remains on the agenda

IFM Investors has made significant progress in working with ITRCC to embed a culture of safety and improve safety outcomes for ITR employees and customers, as demonstrated by the initiatives and projects outlined herein. Ongoing monitoring and improvements in employee and customer safety remain on the agenda for ITRCC and IFM Investors.

ITRCC understands the evolving technology environment and expects to continue the implementation of initiatives that leverage advancing technologies to improve safety, operational performance and ESG outcomes. ■



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