Focus: Transportation

Schreiber’s formal sustainability journey started in 2006. The initial focus of the program was to analyze, set goals and reduce the sustainability impacts at our own locations. Schreiber developed sustainability sub-teams with an internal focus to improve economic, environmental and social sustainability outcomes. Examples of the sub-teams include energy/carbon footprint, water, waste, communication, partner welfare, partner safety and supply chain.

Since our sustainability journey started, we learned the sustainability impacts of our suppliers are significant in the life cycle of the products we produce. Schreiber believes in building strong, secure partnerships with our suppliers. We strive to ensure working conditions in our supply chain are safe, that workers are treated with respect, dignity and fairness, and that manufacturing processes are environmentally and socially responsible. To that end, Schreiber is developing and refining a comprehensive and sustainable supplier program, which includes supplier working groups.

We believe integrating sustainability throughout the supplier network requires a collaborative approach. Working groups are agile teams of suppliers and industry leaders who face challenges to reduce costs and impacts while sharing best practices. Members of a working group look for innovative solutions with measurable results within a specific period of time.

Each group takes on a specific, well-identified challenge that members frame at the start of meeting. Broad and challenging topics may include reducing energy or water use, measuring and reporting carbon footprint, decreasing costs and impacts of transportation and logistics, integrating sustainability into corporate culture, achieving zero waste and more. Time commitments of participants are held to a period needed to resolve a particular challenge. If the challenge is defined too broadly, the group will need to narrow its focus so as to accomplish some level of resolution without taking on too much. Working together with Schreiber, individual working groups set their own agenda, timeline and objectives.

With input from our suppliers, the first working group focused on transportation. Transportation of raw materials and finished products for Schreiber’s business is complex. Although Schreiber, our carriers and our suppliers work to increase the efficiency of the transportation network on a constant basis, we believe there are opportunities within the Schreiber network to increase efficiency further.
Our Process

The deliverables for the transportation sustainability working group were:
1. A clear method to quantify transportation impacts
2. A list of high-impact, actionable tactics that can be implemented within one year and achieve tangible results
3. Agreement on best practices going forward

The group started by brainstorming a list of more than 50 sustainability initiatives that could reduce transportation impacts. Group members consisted of four truckload carriers and three suppliers representing packaging, dairy ingredients and bulk cheese, as well as two Schreiber partners from transportation and environmental engineering.

After the initial brainstorming list of initiatives was created, the team instructed each team member to further research six initiatives and bringing those findings to a day-long collaborative session to present and fine-tune the results. The group quantified each of the initiatives in terms of ease of implementation and return on investment (ROI).

To quantify each initiative, the team used two sets of criteria, with the first centered on ease of implementation, which included analysis of complexity, risk, capability and resources needed. The second criteria represented ROI, which included investment, financial return, timeline and environmental impact.

<table>
<thead>
<tr>
<th>INITIATIVE ANALYSIS</th>
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<tbody>
<tr>
<td><strong>EASE OF IMPLEMENTATION</strong></td>
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<tr>
<td>Complexity</td>
</tr>
<tr>
<td>Risk involved</td>
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<tr>
<td>Access to capability</td>
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<td># of people needed</td>
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<td><strong>SCORE:</strong></td>
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Once the team quantified the initiatives, it compared them to determine which best practices demanded the most immediate attention. The initiatives that scored the highest were those that had a combination of low complexity and high ROI.

Calculations based on a trucking fleet of 100 trucks for each initiative determined financial investment and ROI. Furthermore, these calculations factored the potential timeline and life cycle for each initiative to identify a potential cost savings estimate. The list on page 3 shows each initiative’s ranking and potential savings estimate.

Our Recommendation

The Schreiber transportation sustainability working group recommends suppliers and carriers focus on the top 15 identified initiatives to realize the maximum impact and improve transportation efficiency. The team suggests suppliers and carriers work to better understand how they can implement these sustainability initiatives within their company and develop an action plan to create tangible results. While the working group identified these initiatives as the highest impact, we encourage you to get engaged and collaborate with Schreiber and the working group to learn more and heighten your awareness of how this can positively impact your business.

“We’re shifting sustainability into high gear.”

The Schreiber sustainability working group is dedicated to assisting you in communicating the potential positive impacts within your organization and is prepared to provide you with additional documentation, presentations and analysis to guide you as we continue to strengthen our sustainability partnership together.
Transportation Initiatives
The forty-one initiatives identified by the transportation working group fall into ten environmental sustainability categories. The top 15 initiatives are green.

### Route Optimization
1. Routing Software
2. Progressive Shifting Technique
3. Speed Regulation
21. Driver Fuel Incentive
31. Driver Scorecards & Incentives

### Driver Behavior

### Weight Optimization
4. Reduce Outer Case Package
9. Improve Product-to-Package Ratio
10. Maximize Shipping Weight
13. Aluminum Wheels
16. Consolidate Shipments
23. Incentive for Light Weight Equip.
39. Super Tankers

### Fuel Usage
5. Low Rolling Tires
7. Idle Time Monitoring
11. Ambient Temperature Sensors
15. Battery Powered APU
19. Tire Pressure Monitoring
24. Auto Shifting
25. Shore Power
26. Energy Efficient Trailers

### Fuel Cost
8. Negotiate Fuel Discounts
35. CNG 12L
38. LNG

### Fleet Utilization
12. Minimize Empty Hauls
18. Drop Trailers
34. Minimize Driver Wait Times

### Administrative
17. Greenhouse Gas Tracking
22. Smartway Shipper
33. Smartway Carrier
36. Paperless Environment
37. Shipper TMS

### Truck Elimination
20. Intermodal
41. Minimize Waste Hauling

### Network Optimization
32. Least Cost Modeling

### Aerodynamics
6. Aerodynamic Package
14. Trailer Tails

### Network Optimization
32. Least Cost Modeling

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