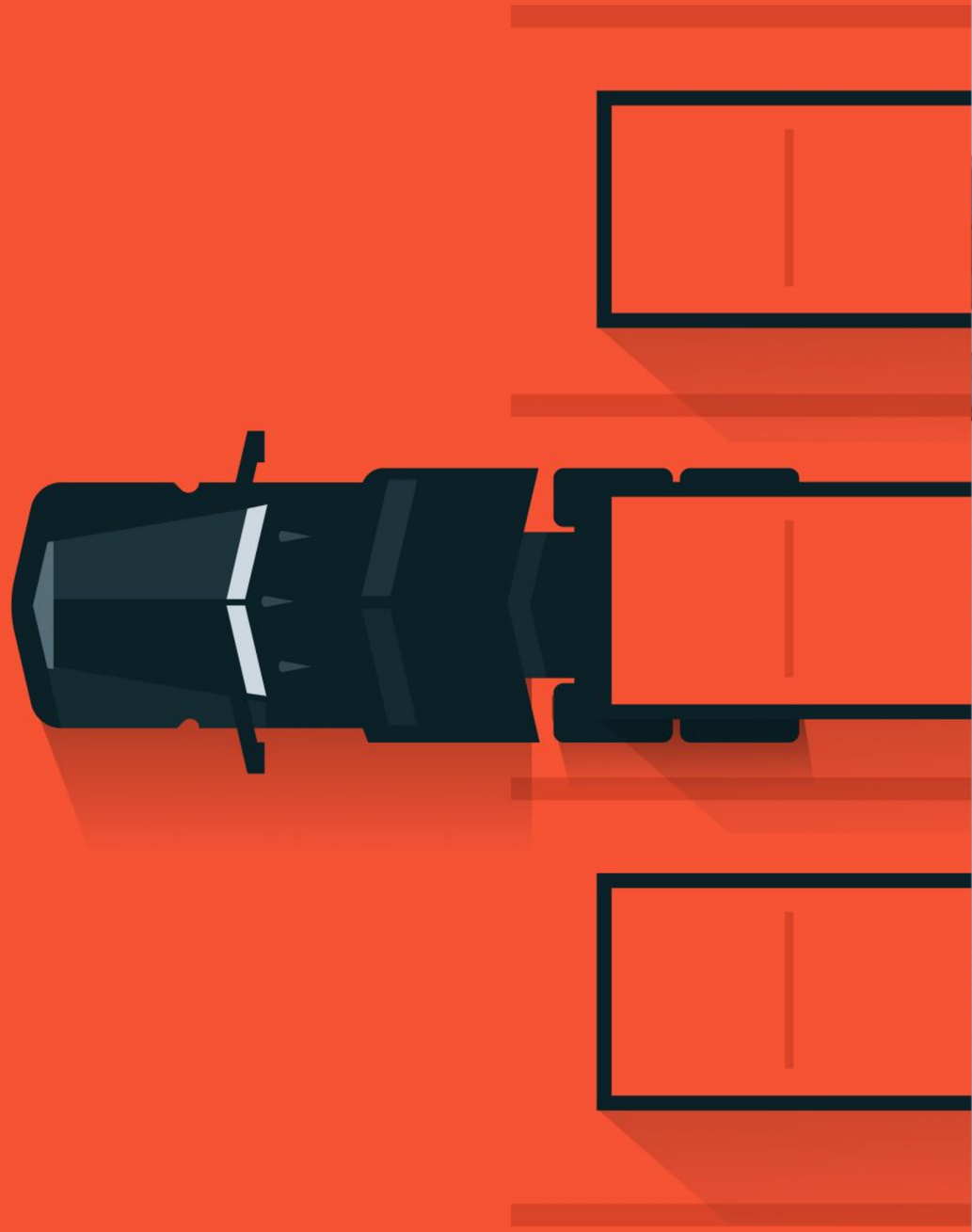
CONVOY Webinar

The Problem of Empty Miles



Jennifer Wong

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Convoy started the movement in efficient freight

We’re solving the toughest problems of waste and inefficiency in the trucking industry by using technology and data to optimize how thousands of truckloads move around the country each day via our Digital Freight Network

Saving money and time for shippers

Increasing earnings and reducing hassle for drivers

And eliminating carbon waste for our planet

Our Sustainability journey

APRIL 2015
Convoy launches the first digital freight network

OCTOBER 2018
Convoy operates nationwide

JANUARY 2019
Convoy becomes a Women in Trucking corporate member

JUNE 2019
Automated Reloads reduces carbon emissions by 45%

SEPTEMBER 2019
Convoy shows 15% safer carriers than the industry

SEPTEMBER 2019
Convoy starts reporting scope 3 carbon emissions for shippers

OCTOBER 2019
Convoy launched first annual haul stars awards

OCTOBER 2019
Convoy joins as a Sustainable Brands member

FEBRUARY 2020
Convoy partners with Truckers Against Trafficking

MARCH 2020
Convoy launches collaboration with Feeding America

MARCH 2020
Convoy launches program to support Supplier Diversity

APRIL 2020
Convoy launches Green Appointment Windows to reduce co2 by 36%

MAY 2020
Convoy launched a vital aid program to haul donated shipments

SEPTEMBER 2020
Convoy partners with NMSDC and WBENC to support supplier diversity

OCTOBER 2020
Convoy launches collaboration with Natural Resources Canada to offer free eco-driving training

OCTOBER 2020
Convoy launches a carbon offset program for shippers

APRIL 2021
Convoy joins The Climate Pledge

MAY 2021
Convoy publishes its first sustainability report

Poll Question:

Are you responsible for reducing carbon emissions?

A. Yes
B. No

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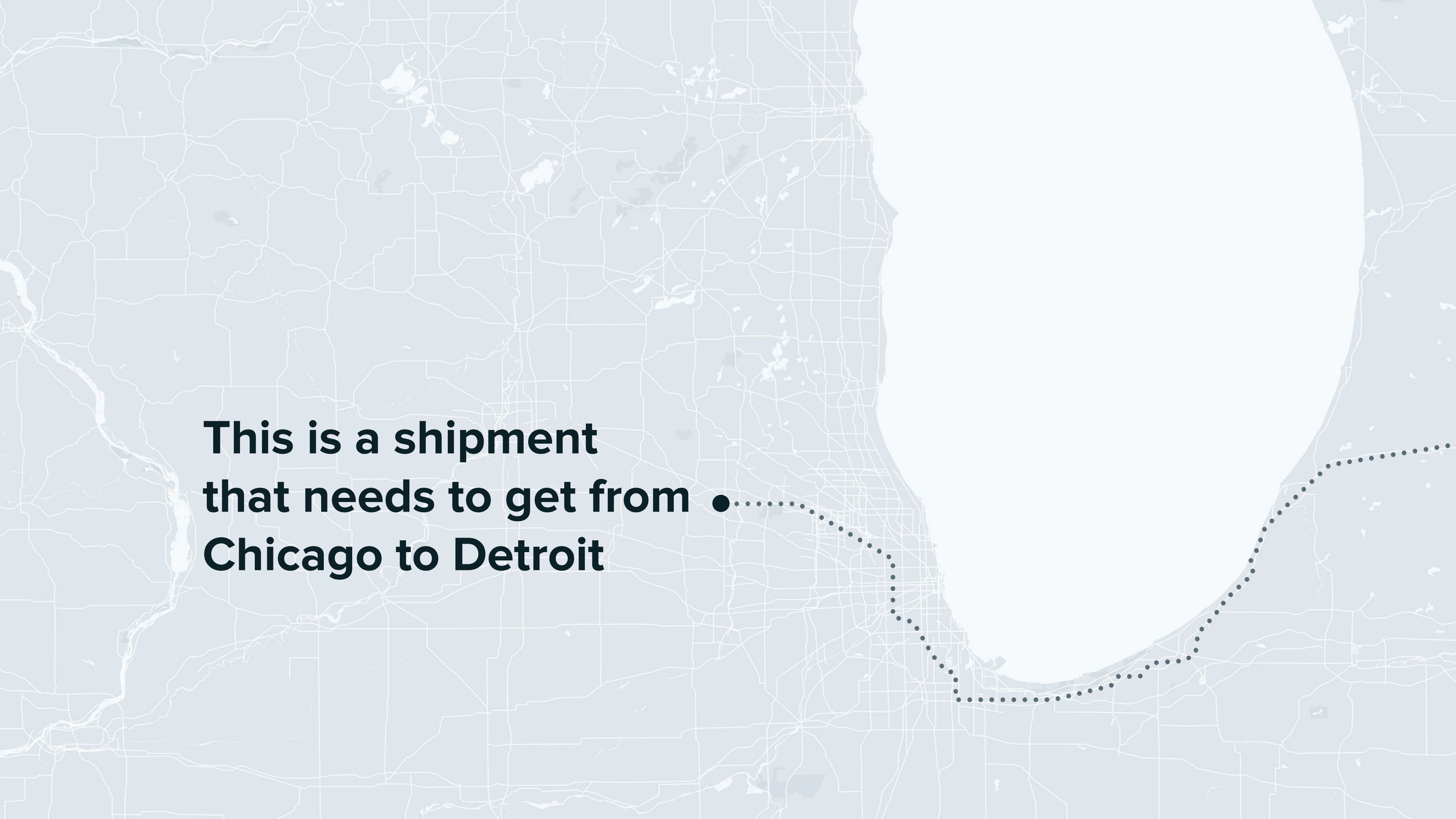
THE INEFFICIENCY OF TRADITIONAL MODELS

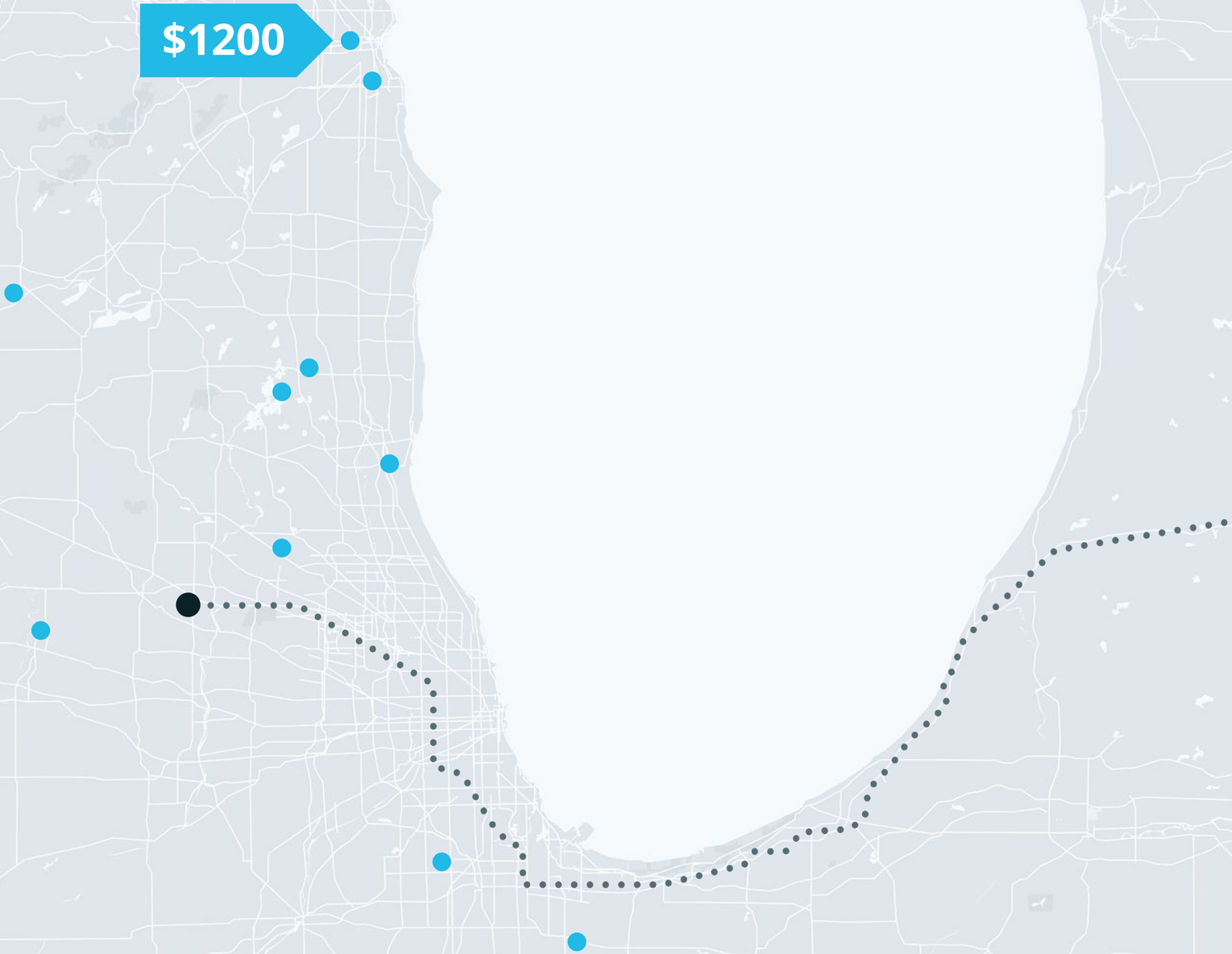
Every business has a problem of empty miles


This is a shipment
that needs to get from
Chicago to Detroit

A shipper tenders this load to a traditional broker for **$1430**

The broker sales rep has a handful of carriers in that area who they call and email to negotiate the load

They find a carrier who'll do the job for **$1200**, at a 16% margin for the broker

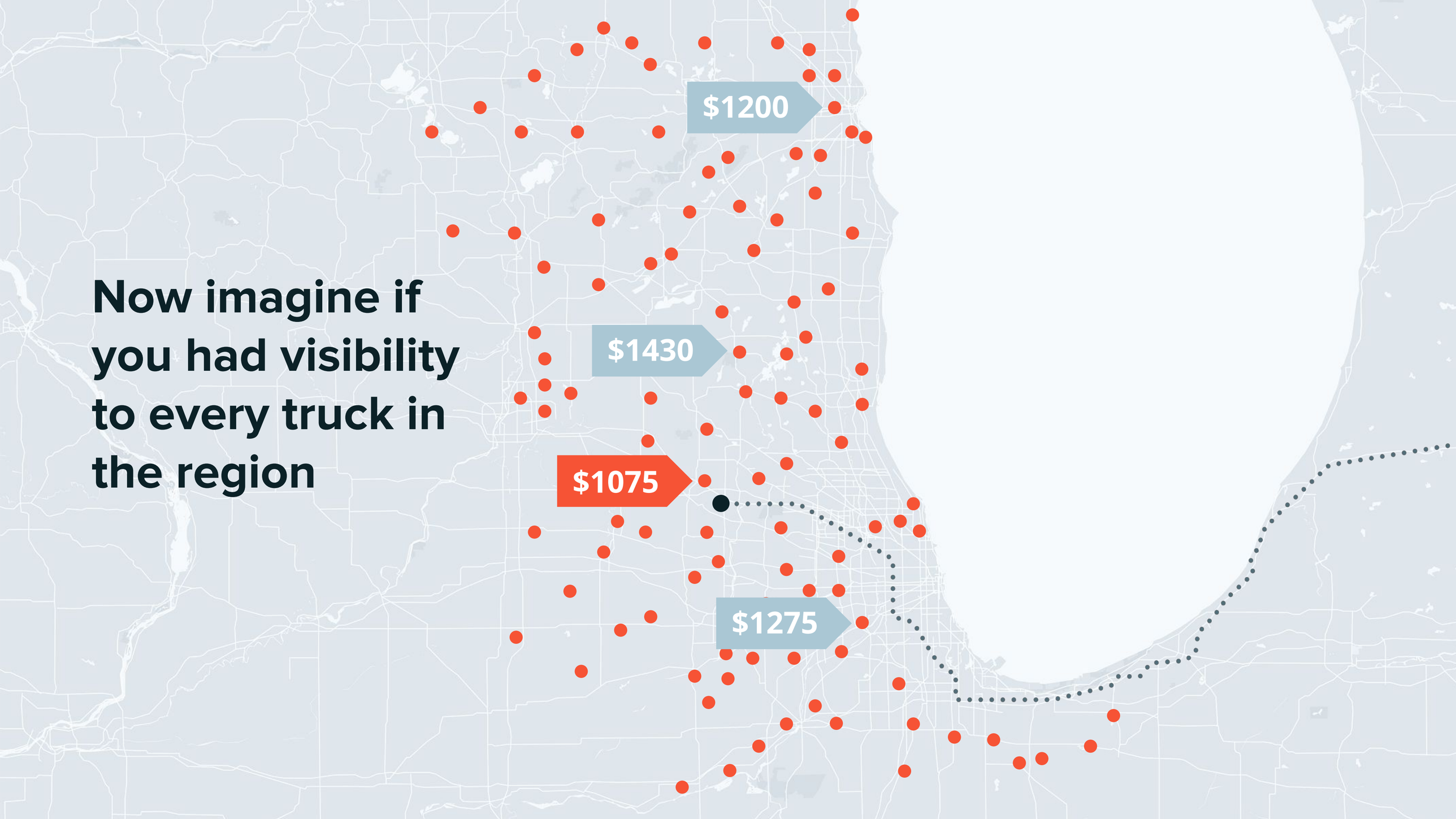


Even though other carriers that broker works with are closer and better priced

$1200

$1170

$1200



Now imagine if you had visibility to every truck in the region

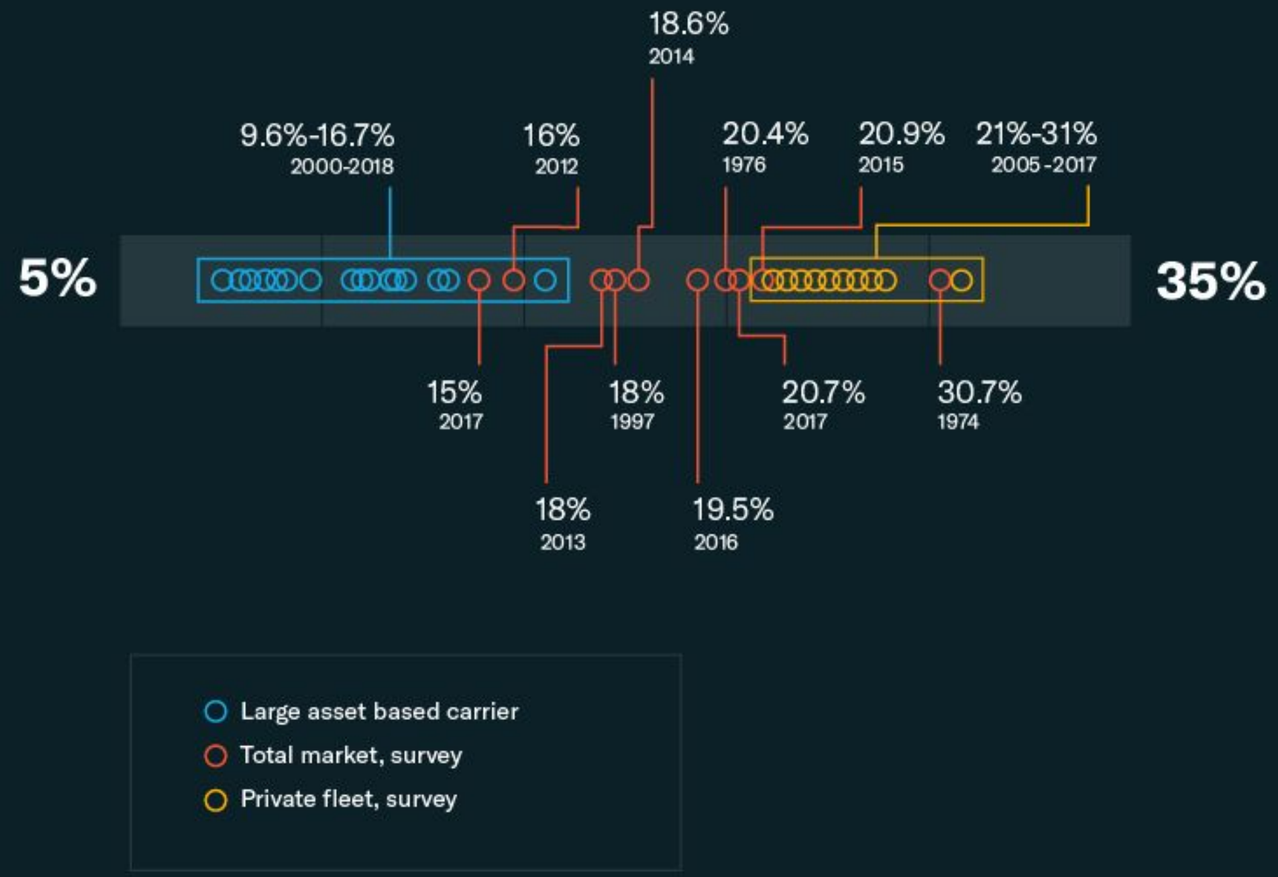
There is a huge opportunity to improve productivity and reduce waste

Poll Question:

What percentage of your transportation miles are empty?

A. Less than 10%
B. 11% - 20%
C. 21% - 30%
D. 31% - 40%
E. More than 41%
F. Don’t know this data

Wide range of estimates for empty miles in trucking

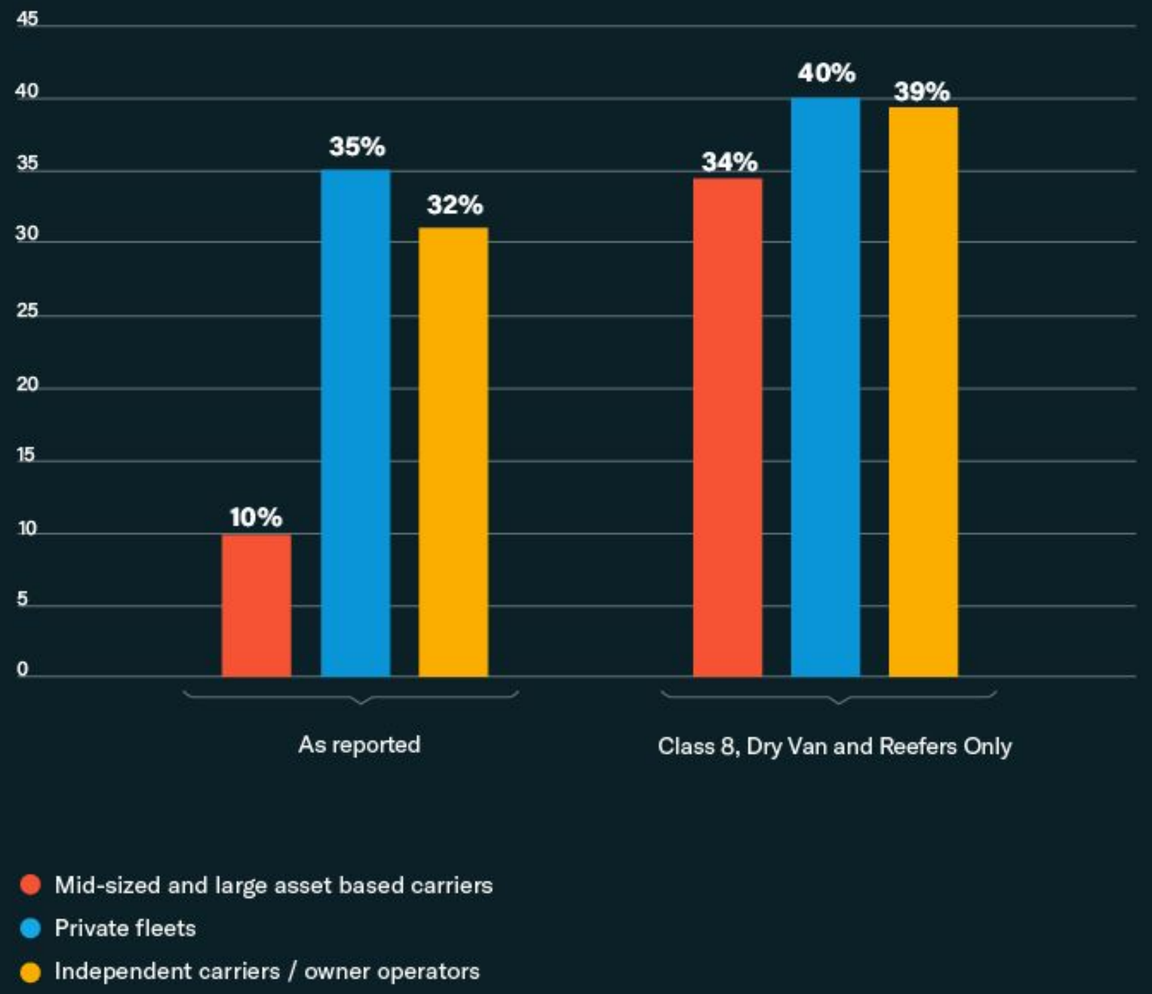


Notes: * California only

Sources: American Trucking Research Insitute U.S. Census Bureau, Interstate Commerce Comission, California Vehicle Inventory and Use Survey, annual financial reports of various asset based carriers. National Private Truck Council, 2017.

Freight Economics CONVOY

Share of total miles driven empty



Source: Convoy analysis of U.S. Census Bureau, Vehicle Inventory and Use Survey, 2002

Freight Economics

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MAKING PROGRESS IN REDUCING CARBON EMISSIONS

1

Measure your carbon emissions

Types of Emissions: 4 Scopes

Global accounting standards

Scope 1: Direct Emissions

- Natural gas for heating

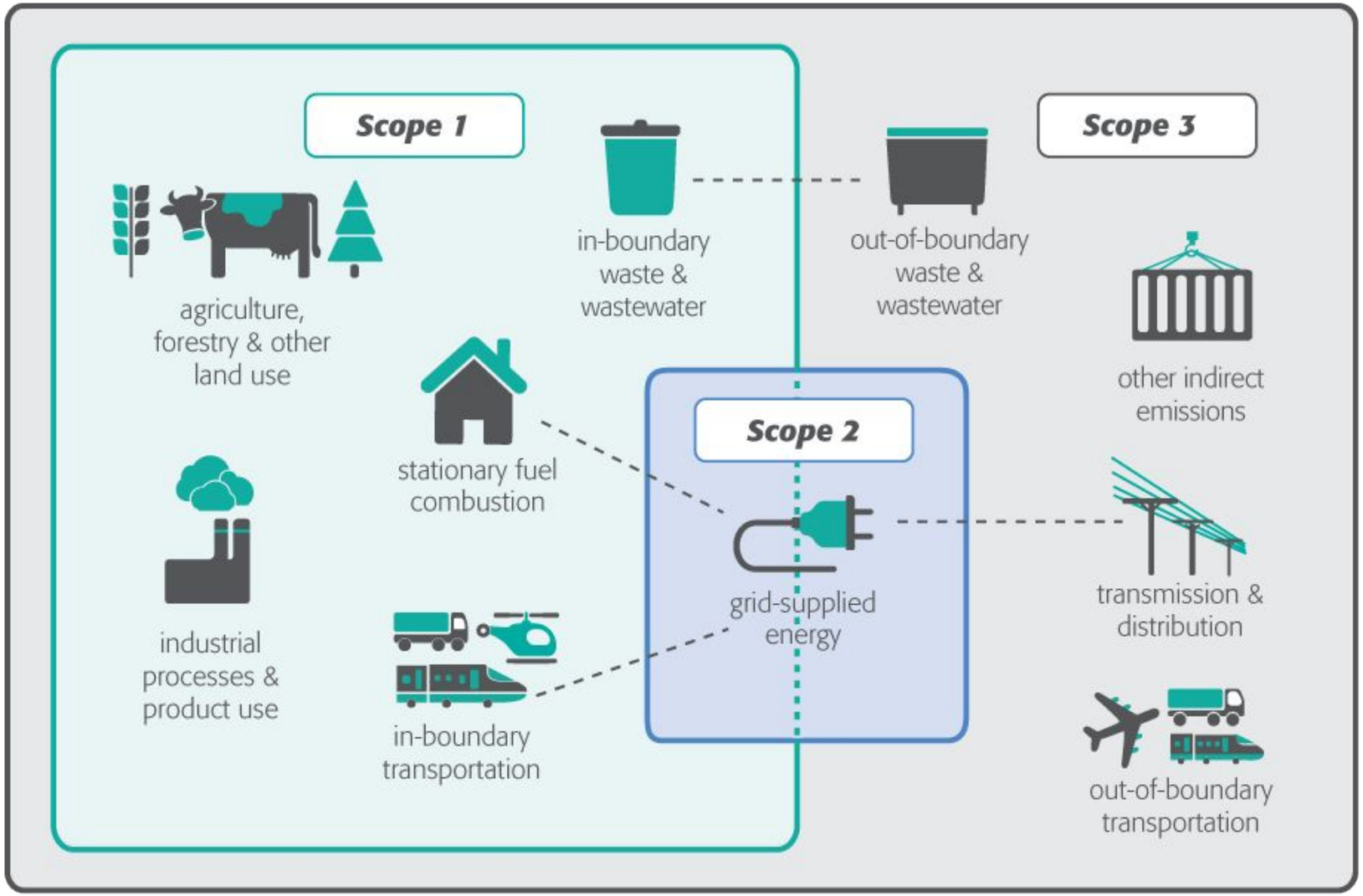
Scope 2: Electricity

- Office Lighting

Scope 3: Indirect emissions

- Commuting and business travel
- Cloud services (mostly aws)
- All physical goods (like computers)

Scope 4: Prevented emissions



Poll Question:

Do you know the carbon emissions emitted by your transportation?

A. Yes
B. No

ENVIRONMENTAL IMPACT
REDUCE CARBON EMISSIONS

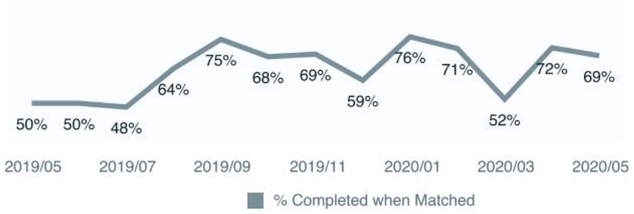
Tracking and reporting on carbon emissions

82,966
Pounds of CO2
Saved YTD

3,687
Gallons of Fuel
Saved YTD

$414.8
In Equivalent
CO2 Offset YTD

Automated Reload Efficiency



Carbon Emission Saved

Reducing Emission & Saving Money

If you were to pay for carbon emissions you've saved in 2020, it would have cost you $414.8 ($0.051 per load) in carbon offsets.

Timeline	# of Automated Reloads (vs Total Volume)	CO2 Saved from Automated Reloads (lb)	CO2 Saved from Green Appointments (lb)	Total Fuel Saved (gal)	Total Carbon Emissions Saved (lb)
May 2020	32 (1,607)	9,744	76	433	9,744
April 2020	112 (1,715)	29,380	456	1,306	29,380
March 2020	44 (1,727)	16,741	-	744	16,741
February 2020	49 (1,557)	19,632	587	873	19,632
January 2020	28 (1,516)	7,470	-	332	7,470
December 2019	19 (1,030)	4,570	288	203	4,570

2

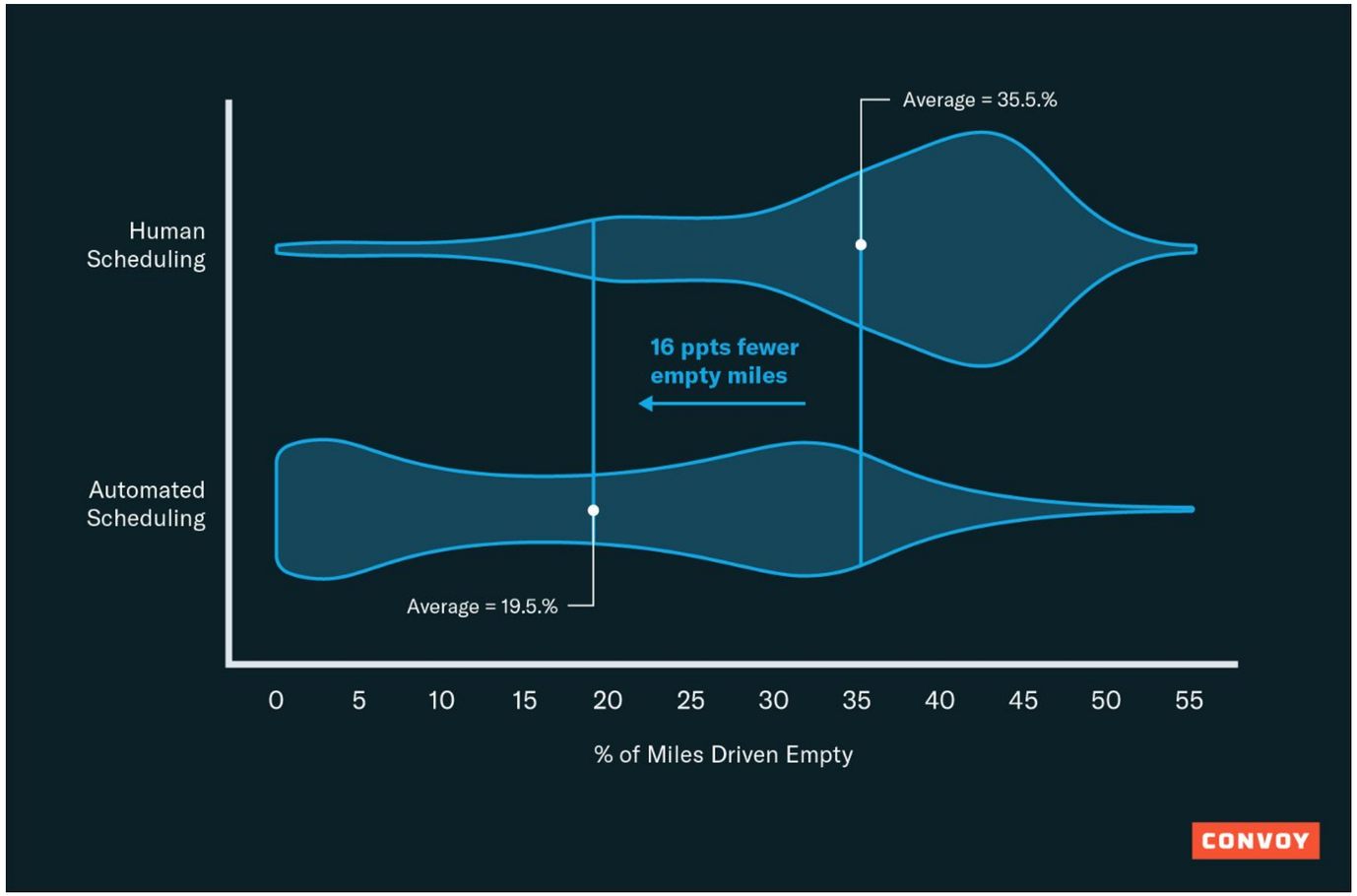
Identify decarbonization strategies

ENVIRONMENTAL IMPACT
REDUCE CARBON EMISSIONS

Automated Reloads

Improving the ability to connect shipments more effectively immediately reduces carbon emissions in your supply chian.

Empty miles driven produce 72 million metric tons of CO_2 equivalent emissions. Bundled shipments reduce scope 3 carbon emissions by 45%.



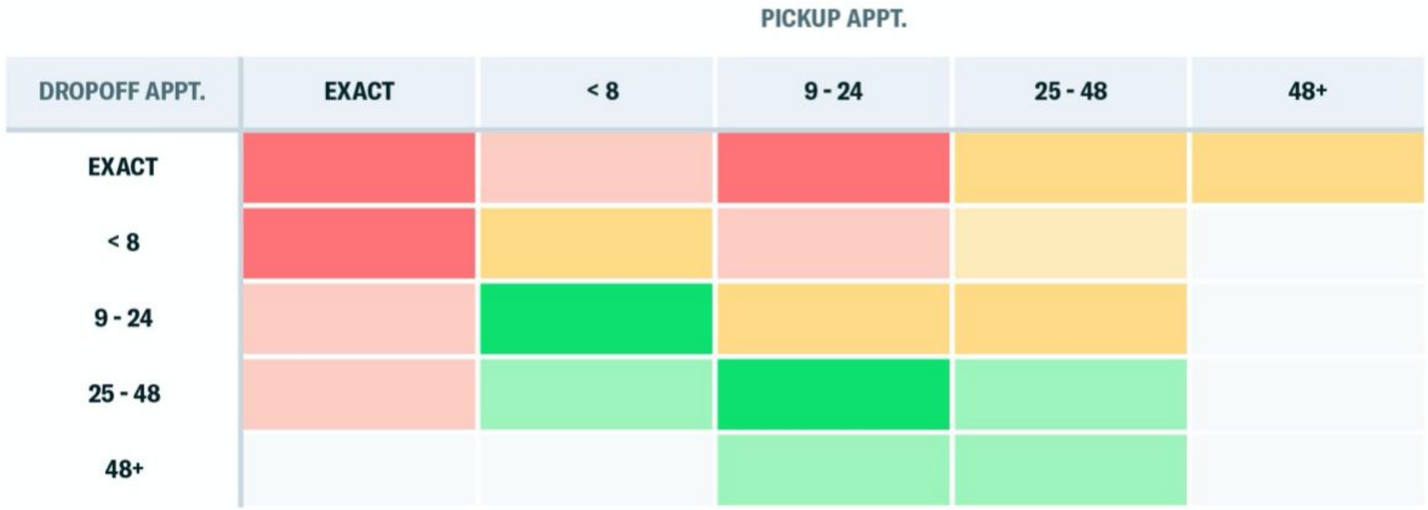
ENVIRONMENTAL IMPACT
REDUCE CARBON EMISSIONS

Green Appointments

Green Appointments give shippers the choice to offer longer pick up and delivery times, which increases the chances of booking the most efficient driver for the job.

Shippers that have flexible pick up and delivery dates get access to the best carriers, at the best price, and reduce scope 3 carbon emissions by 36%.

Batch percentage by pick up and dropoff appointment windows.



3

Offset the rest

ENVIRONMENTAL IMPACT
BECOMING CLIMATE POSITIVE

Carbon Offsets

A carbon offset represents a reduction in emissions of carbon dioxide or other greenhouse gases, which is created through an emissions reduction project.

Carbon offsets are an effective way for shippers to counteract the Scope 3 carbon emissions produced during transportation.

Here are two examples of projects we've chosen for their impact reducing the carbon footprint and providing community benefits:

Truck stop electrification that reduces the need for truck drivers to burn diesel to stay comfortable and operate electronics in their cabs

Forest conservation in the Amazon rainforest by providing alternative economic opportunities to local communities

The cost to fully offset the emissions from the average shipment is $3 or 1¢ per mile.

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