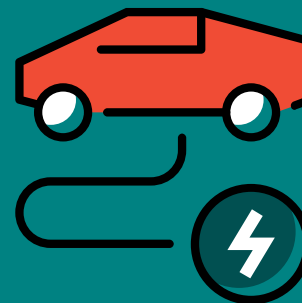
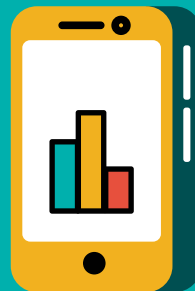


A Greener Last Mile Starts Now: Your Guide to Reducing Delivery Emissions





When it comes to sustainability, consumers are telling retailers what they expect — and they're backing up what they say with their purchasing behavior.

All you have to do is look at store shelves for claims like "sustainable," "eco-friendly," "recyclable," "natural" and "green" listed on product packaging to see that interest in sustainability is on the rise.

Case in point:

- **72%** of consumers say sustainability is an important purchase consideration.¹
- **85%** of people worldwide have shifted their purchase behavior over the past five years toward making consciously sustainable choices.²

Certain consumer groups even say they're willing to pay a premium for sustainable options. Roughly three-quarters of surveyed Millennial and Gen Z consumers say they're willing to pay more for sustainable products, a 2023 study found.³ Additional findings

show that higher earners and urban dwellers are all more likely to pay more for greener options.

That doesn't mean shoppers are willing to compromise on the e-commerce shopping experience, however. Many expect to have same-day and next-day delivery options, as well as the ability to choose precisely when their orders will arrive.

The stakes for faster delivery are only increasing.

Amazon — the retailer that fostered consumer expectations for two-day shipping starting back in 2005 — **is now actively working to implement one-day shipping across its network to cut costs meet growing demand for same-day deliveries.**⁴

This leaves retailers with a multifaceted puzzle to unscramble: They must move quickly to create excellent consumer experiences in environmentally responsible and economically sustainable ways.

Which groups are most willing to pay more for sustainability?

80% of Democratic voters

77% of Gen Z members

73% of +\$100k earners

76% of urban residents





Why are retailers falling short of their **ESG** goals?

To deliver these environmentally responsible experiences, many retailers are working toward reducing their carbon emissions and creating actionable ESG (environmental, social and governance) goals to manage their impact on the world. Besides showcasing sustainability efforts in full public view, properly implemented ESG initiatives can also help retailers deliver the results that consumers demand.

But moving from commitment to action is difficult. No instruction guide exists on how to meet lofty sustainability goals while also minimizing risk and balancing ambition with practicality.

As a result, Bain & Company reports that, over the past few years, 90% of retailers have made less sustainability progress than they expected.⁵ And only about 4% of the top grocery and clothing retailers the consulting firm studied across the United States, Europe and Asia-Pacific have taken globally leading approaches to ESG issues.

On top of creating an ESG roadmap, ESG reporting is another challenge retailers must address on their sustainability journey. Creating an impactful ESG report requires gathering timely and accurate data, which requires buy-in and data competency internally and from vendors.

It's not too late for retailers to improve ESG progress. The last mile, in particular, offers a huge opportunity to shrink your carbon footprint. For example, just moving to local fulfillment options can lower last-mile emissions between 17% and 26% through 2025, according to consulting firm Accenture.⁶

What other tactics can you use to improve last-mile sustainability? And how will that data be conveyed to consumers, investors and other stakeholders? Now is the time to think outside the box when it comes to reducing carbon emissions and honing in on your ESG targets.

What is ESG?

Environmental, social and governance practices shape how a company manages itself (governance) and its impact on society and the environment. Investors are growing more interested in measuring the impact of these practices, and retailers are increasingly tracking them.⁷

Launching a Green Last-Mile Delivery Program

Retailers looking to green their environmental footprint are already thinking about ways to source more sustainably and reduce energy consumption and waste. However, they don't always give as much thought to how orders arrive on consumers' doorsteps and the impact those deliveries have on sustainability initiatives.

Achieving efficiency and sustainability in last-mile delivery can be a delicate balancing act. Nearly 90% of consumers say they look for eco-friendly shipping options at checkout, according to data from logistics software firm Sifted.⁸ And yet, customer demand for fast delivery is persistent, Retailers have had to force consumers to choose sustainability or speed.

In most cases, the faster packages are delivered, the more impact their delivery has on the environment, explains Miguel Jaller, co-director of the Sustainable Freight Research Center at the University of California, Davis, Institute of Transportation Studies.⁹ Why? When shipping speed is prioritized over system efficiency, trucks may be sent out with only a small number of packages to deliver.

E-commerce activity isn't expected to slow down,¹⁰ and neither is its impact on the environment. By 2030, global demand for last-mile delivery is projected to increase by 78% from 2020 levels, the World Economic Forum reports.¹¹ With no intervention, the group warns, carbon emissions from delivery traffic are expected to climb 32% during that time.



78%

projected increase in global demand for **last-mile delivery** between 2020 and 2030.





86%

reduction in total miles driven with
Roadie Green™ consolidation and
routing algorithm

These insights highlight a pressing need for retailers to rethink their approach to last-mile logistics. And new technologies and solutions are emerging to help them do so. Many companies will accomplish this by relying on electric vehicles (EVs) instead of traditional internal combustion engine (ICE) vehicles. EVs are a practical transportation solution for shorter ranges, such as final-mile deliveries. But taking this step has historically required large investments in electric vehicle fleets or costly partnerships with shipping carriers that offer green delivery services — until now.

Partnering with a crowdsourced delivery platform like Roadie already gives retailers an easy and affordable way to grow their fleets in response to consumer demand – right now. With the addition of Roadie Green™, retailers tapping into the Roadie national network of independent drivers can access environmentally efficient EV and hybrid vehicles to achieve their ESG goals in the last mile

while responding to consumer desires for fast and sustainable delivery options.

“Before Roadie Green™, all the options were very future forward,” explains Will Walker, senior manager of marketing for Roadie. “They required huge capital investment and time to realize the full benefits, or they involved emerging technologies – like delivery robots or drones – that aren’t mainstream.”

The greenest mile is the mile not driven. One pilot customer saw huge reduction in miles driven – and last-mile emissions – just with the help of the Roadie Green™ consolidation algorithm. Comparing Roadie Green™ consolidated deliveries in the pilot vs. point-to-point delivery, Roadie Green™ resulted in an **86%** reduction in total miles driven.

The Roadie Green™ Difference

Roadie Green™ offers retailers an efficient, highly differentiated and environmentally sustainable solution for local same-day and next-day delivery – and it makes a measurable impact. With Roadie Green™ you can:

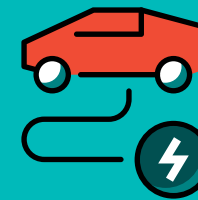
- Give customers a fast and environmentally friendly delivery option – right now.
- Offer multiple delivery options while reducing carbon emissions – with no upfront capital investment.
- Collect ESG data to report measurable progress on sustainability goals.

“Roadie Green™ makes a measurable impact and actually moves the needle,” says Walker. “It will push you closer to your company’s commitments. Using solar power for your warehouse or investing in geothermal energy are huge investments, but Roadie Green™ isn’t. You’re simply tapping into assets that are already on the road. As a result, the ROI is much higher. It’s a service you’re already offering, but now you can do it with consolidated routes and electric vehicles.”

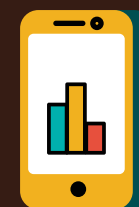
Here are four ways Roadie Green™ can help you deliver.



Give customers a fast and environmentally friendly delivery option – right now.



Offer multiple delivery options while reducing carbon emissions – no upfront capital investment.



Collect ESG data to report measurable progress on sustainability goals.





Four ways Roadie Green™ can help you deliver:

- ✓ **Optimized** routes that reduce total miles driven
- ✓ **Data** to help you track and report ESG progress
- ✓ **Access** to screened drivers and low emission vehicles
- ✓ **A choice** of delivery models

Optimized routes that reduce total miles driven

One way to reduce carbon emissions in the final mile is to plan routes based on risks that could slow down deliveries, such as traffic and weather, and to avoid backtracking by optimizing the sequence of stops.

Roadie Green™ prioritizes delivery routes based on speed, efficiency and service-level agreements (SLAs) to reduce total miles driven and streamline operations. Customer orders can be batched and routed in advance or even released dynamically while a route is in progress. As we continue to grow our database of knowledge, the delivery routes generated by the Roadie platform will only become more efficient over time, meaning even less time on the road.

Couple those tactics with access to EVs and hybrid vehicles, and you have a last-mile solution that prioritizes speed and sustainability.

Data to help you track and report ESG progress

Before you can reduce carbon emissions, you must be able to track them. The Roadie Green™ industry-verified reporting methodology and metrics allow you to track carbon emissions to better understand the impact of your reduction strategies on last-mile emissions.

These metrics make it easy to measure and report progress toward ESG goals and provide data you can include in

your reporting for proper disclosure and transparency.

Roadie Green™ can also help you create standard and customizable reporting of your carbon emissions impact based on what your company, investors and customers want to see.

Access to screened drivers and vehicles

Instead of taking months or years to build up your fleet or finalize a carrier agreement, Roadie Green™ lets you tap into an existing network of screened drivers with certified and registered EV/hybrid vehicles. Only certified and badged drivers can support Roadie Green™ deliveries.

Same-day delivery, sustainably

With Roadie Green™, you have the option of a same-day delivery model that lets your customer choose the experience that works for them. You can enable same-day delivery with more density and a lower carbon footprint, and get access to other Roadie solutions that give you even greater delivery flexibility.

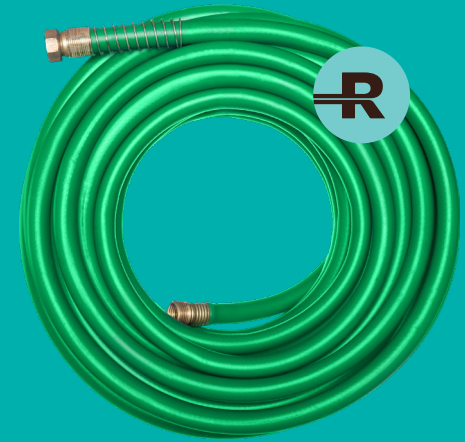


A More Sustainable Last Mile Starts Today

The ability to deliver a faster and more sustainable last mile will become even more of a differentiator for retailers in the next few years. And the ability to do so while managing your costs is critical. By partnering with Roadie and its national network of on-demand drivers, you can ensure that your business is equipped to reduce its carbon footprint, minimize risk, build a reputation of sustainability and reasonably meet ESG goals.

“Options are important for consumers,” says Walker. “There are times where speed is absolutely critical and sometimes the primary decision factor. But there are other times where a customer is willing to wait and reduce their environmental impact. But a solution like Roadie Green™ means they don’t have to choose. They can get something fast, and they can get it more sustainably. They can have their cake and eat it, too.”

To learn more about how Roadie Green™ can help with your sustainability goals, visit [Roadie.com](https://roadie.com) today. A Greener Last Mile Starts Now.



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Meet Roadie

Roadie, a UPS Company, is a logistics management and crowdsourced delivery platform. Founded in 2014, Roadie works with businesses of all sizes to enable same-day and local next-day delivery in passenger vehicles across the U.S. With 200,000 drivers nationwide, Roadie reaches more than 29,000 zip codes – the largest local same-day delivery footprint in the nation. For more information, visit www.roadie.com.

Today alone, 250 million passenger vehicles will hit the road with more than four billion cubic feet of unused cargo space. Roadie is transforming that excess capacity into a public utility with the power to move things faster and more sustainably than ever before.

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