

November 2024

## Breakthrough Business Intelligence to Decarbonize Supply Chains

Industry veterans launch new company, Scope23, to accurately measure and manage carbon emissions

In response to a critical market need for carbon reduction strategies based upon actual, accurate and actionable business intelligence, a group of transportation industry veterans have launched Scope23, a technology company dedicated to making sustainability achievable for shippers and transportation service providers.

"We did not set out to offer just another emissions reporting product. Our vision was to create an action platform, one that deploys actual shipment level data and AI to facilitate thoughtful decision-making by companies with a genuine interest in achieving critical decarbonization goals," said Shaleen Devgun, Executive Vice President, Chief Innovation and Technology Officer at Schneider National, Inc. (NYSE: SNDR) and co-founder and board member of Scope23.

"We are testing Scope23's flagship product, GreenSight, with both our proprietary trucks and our third-party carriers," said Jeff Simon, Transportation Procurement & Sustainability Associate Manager at PepsiCo. "We're capturing data points, such as shipping origins and destinations, charging infrastructure and alternative fueling options – all the factors that drive how we ship. GreenSight then compiles and easily organizes the information and, through AI, offers specific recommendations by lane, region, or business unit. They're even customizing dashboards to show greenhouse gas (GHG) emissions reductions by regions, lanes, and carriers."

"We've embedded Scope23 within various teams across PepsiCo North America to build solutions that help us meet our sustainability goals. Having granular shipment-level visibility to our current carbon emissions has provided a lot of value in understanding how to best reduce GHG emissions," said Adam Buttgenbach, Director of Fleet Engineering and Sustainability at PepsiCo.

A recent survey by Boston Consulting Group found that 87% of leaders believe that AI is a helpful tool to reduce climate change. The Report shows that AI has the potential to help mitigate 5-10% of global GHG emissions by 2030. Scope23, which is receiving initial funding from Schneider and Pilot Company, intends to fill the gap for shippers and carriers with a platform that operationalizes carbon accounting into existing transportation and purchasing procedures.

"Our unrelenting focus on data 'from the wheels' represents a critical differentiating factor," said Jeff Summerson, Head of Product at Scope23 who has held executive and product leadership roles in transportation and fleet logistics for the past 20 years. "It's critical that we begin to progress from using averages or approximations to relying on actual, accurate and actionable data that leads to more precise carbon calculations and a more streamlined process."

PepsiCo and Scope23 have commitments from the majority of PepsiCo's third-party transportation fleet partners to provide comprehensive shipment level data, expanding upon Scope23's existing dataset which includes data from Schneider and other carriers.

"The more shippers and carriers that participate, the more robust and actionable the information," added Brian Stuelpner, Vice President Product and Innovation, Schneider, and co-founder and Board member of Scope23. "Road level data is absolutely foundational, as is widespread participation by fleets. Both carriers and shippers will greatly benefit from this type of shared business intelligence. Carriers can gain a competitive edge with their customers by showcasing their ability to reduce Scope 3 emissions. And shippers know that they cannot reduce their transportation-related carbon emissions in a silo. The platform provides visibility to the impact that different decisions can have."

"We're building into a market that largely didn't exist a few years ago," Summerson said. "The tipping point around sustainability commitments has arrived, and shippers and carriers need software tools to meet their decarbonization targets. What we've built is a zero-agony experience that allows for an all-in-one-place emissions management and reduction platform for transportation —a decarbonization decision engine for climate accounting and action."

Scope23, based in Chicago, began publicly showcasing its product and growing network of investors, partners, and customers at the Verge 2024 Conference held this October in San Jose.

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