

CORPORATE SOCIAL RESPONSIBILITY REPORT

2017



C.H. ROBINSON
ACCELERATE YOUR ADVANTAGE®



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OUR SUSTAINABILITY JOURNEY

At C.H. Robinson, we strive to promote social, human, and environmental sustainability in our offices; with our customers, carriers, and suppliers; and across communities around the world.

We believe in efficient supply chains that reduce emissions and waste. And we help our customers do just that. Because not only do efficient supply chains help the environment, they promote long-term financial health and economic sustainability. Beyond that, we also give back to the communities where we live and work—through the efforts of our employees, the C.H. Robinson Foundation, and the entire company—to build stronger communities that will last.

Highlights from 2017



Ranked on *Inbound Logistics*' List of 75 Green Supply Chain Partners



400 customers use C.H. Robinson analytics to identify and act on sustainability opportunities



116 tons of recycling and organics diverted from landfills from our corporate campus alone



1 million pounds of produce rescued from landfills



Joined CarbonFund.org to purchase carbon offsets and support the Amazonian Rainforest



7,467 metric tons of carbon emissions offset through Terrapass over eight years



\$2 million raised for charity



161,896 meals packed for undernourished children around the world



71,000 pounds of food donated



23,850 miles biked and over \$160,000 raised to help find a cure for MS

WAYS WE PROTECT OUR PLANET

As a service organization, we do not engage in industrial activities or operate emissions generating equipment/facilities that a manufacturer, producer, or energy provider might. Accordingly, we approach environmental sustainability in a different way than many organizations.

C.H. Robinson works closely with our customers, contract carriers, suppliers, and growers to develop strategies that support efficient operations and sustainable goals that have a business impact and protect our planet.

CUSTOMER INITIATIVES

With a non-asset business model, we offer a range of logistics services that help customers achieve their carbon emission reduction goals.

Creating efficiencies reduces miles and emissions

We offer load and mode optimization services, along with freight consolidation and information reporting for our customers. Whether part of a consultative analysis or a real time operating environment, these services assist in the reduction of miles and the effective use of transportation equipment, reducing greenhouse gas emissions.

Optimizing networks minimizes inventory and miles

By studying and recommending sourcing location strategies that leverage supplier locations, manufacturing capabilities, and customer demand, we help minimize unnecessary network assets, inventory, and transportation miles.

CASE STUDY

We helped a large customer evaluate the strategic placement of new facilities by pairing the environmental impact with financial savings.



Our analysis helped protect the planet by eliminating **597,000** transportation miles each year, essentially reducing their miles traveled by one third.

CASE STUDY

No pallet needed



Freightquote®, a company of C.H. Robinson, developed a solution that allows one customer to safely ship their product without pallets, saving trees, money, and labor.



FREIGHTQUOTE

Improving space utilization boosts sustainability

Container optimization consultations help enhance the effective use of case pack, pallet optimization, and trailer optimization. We also help customers increase the utilization of shipping containers to optimize the number of shipments needed.

Sustainability analytics

As part of our suite of solutions, customers gain the ability to see their current sustainability statistics, as well as their biggest opportunities to improve from a sustainability perspective. Currently, approximately 400 customers utilize C.H. Robinson reporting to make more sustainable modal, warehouse, and inventory decisions.

Visibility through technology and appropriate modal selection are other areas where we help customers make better business decisions. By consolidating freight information, our customers receive a single source of information about their freight. This level of visibility can reduce the need for expedited freight and help minimize idle time during loading and unloading—both of which are taxing on the environment.

Reducing carbon emissions

Establishing a carbon baseline is the first step to any carbon reduction strategy. This involves quantifying current carbon emissions from existing supply chains and distribution networks.

Our less than truckload (LTL) carbon calculation methodology has been used widely after our sponsorship of a Master's thesis project at the Massachusetts Institute of Technology's Center for Transportation and Logistics (MIT-CTL) that helped identify the significant influence the pick up and delivery elements have on LTL emissions.

We provide CO₂-equivalent emission baselines based on transportation miles for our customers. Further collaboration with customers helps identify options for reducing emissions and waste over time. The use of intermodal transportation is just one option C.H. Robinson offers customers to help reduce greenhouse gas emissions. Within three years, we helped an organic snack food company convert 61% of their freight to rail, reducing their carbon emissions by 16%.



A NEW MODEL FOR ESTIMATING CARBON EMISSIONS FROM LTL SHIPMENTS

Read the white paper based on the MIT-CTL research about LTL emissions.

AVAILABLE
ONLINE



CONTRACT CARRIER INITIATIVES

Through our single global technology platform, Navisphere®, we help contract carriers be more efficient. We offer several automation tools and apps that protect the environment by eliminating the need for paper documentation. And our SmartMatch™ technology matches drivers with loads that will help fill otherwise non-productive, empty miles, thereby reducing emissions.

SmartWay Transport

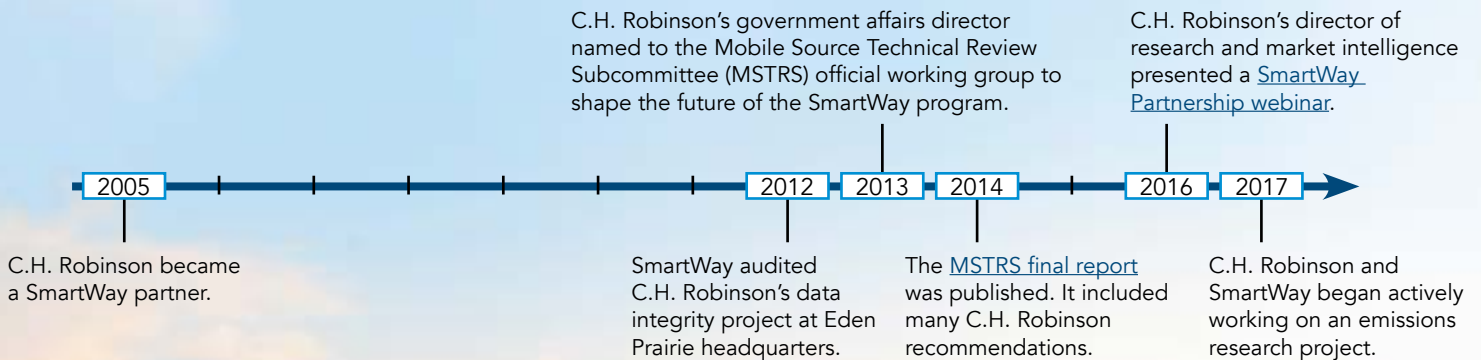
Both C.H. Robinson and Freightquote are proud to be members of the [EPA's SmartWay Transport program](#). SmartWay Transport is a voluntary partnership between various freight industry sectors and the United States Environmental Protection Agency (EPA) that establishes incentives for fuel efficiency improvements and greenhouse gas emissions reductions.

In 10 years, the combined efforts of all SmartWay partners have eliminated over 51 million metric tons of CO₂, and saved over 120 million barrels of oil and \$16 billion in fuel costs.

All of Freightquote's LTL carriers are SmartWay Transport Partners and over **3,000** of C.H. Robinson's contract carriers are SmartWay Partners. Currently, **39%** of all C.H. Robinson shipments use SmartWay carriers.



Best Green Logistics Operator at the Asia Freight, Logistics and Supply Chain Awards for consistent leadership in the logistics industry



ROBINSON FRESH® INITIATIVES

Our fresh produce division, Robinson Fresh®, creates sustainable choices from planting through delivery by working closely with growers around the world.

Beyond reducing transportation miles through consolidation of individual customers' produce orders into truckload quantities, Robinson Fresh also offers just in time replenishment, commodity management, and business analysis services to promote sustainability throughout the journey.

Our legacy and regional farming programs shorten the distance from farm to table. Sustainable planting practices, combined with transportation efficiencies, also help eliminate food waste and protect our planet.

Misfits® program

Food waste is a worldwide issue—one that has been an area of concern and focus across the produce, retail, and foodservice industries for some time.

Consumers have a picture in their minds of what fresh, quality food looks like. Unfortunately, fruits and vegetables have an innate tendency to bruise or brown, wilt, scar, or discolor as they move from the field to stores, restaurants, and consumers' kitchens. And those "imperfections" often land fruits and vegetables in the trash—even if they're still just as nutritious and flavorful as their more aesthetically blessed counterparts.

To help shift consumers' thinking toward embracing imperfect or irregular-looking produce, Robinson Fresh offers the Misfits® program. This food rescue program aims to reduce the amount of produce that would otherwise be discarded—because of minor blemishes, slight discoloration, or unusual sizes that do not necessarily affect freshness or quality—by selling it at reduced prices.

Several large retailers across North America now offer Misfits produce in their stores. And within four months of adoption, Hy-Vee, Inc., in collaboration with Robinson Fresh, announced that the program helped them rescue more than 1 million pounds of fruits and vegetables from landfills.



INTERNAL INITIATIVES

Additionally, we strive to make changes within our own organization to lessen our environmental impact.

The state of Minnesota is requiring that 25% of utility electric energy sales come from renewable energy sources by 2025. As our headquarters are in Eden Prairie, MN, we purchase electricity for our corporate offices from Minnesota Valley Electric Co-op (MVEC). MVEC purchases wind and agricultural renewable power from Great River Energy.

Additional initiatives we have taken in our company-owned facilities to lessen our environmental impact include motion sensor lighting and natural light, recycling and organics programs, printer paper reduction strategies, air cooled data centers, and natural prairie grass space rather than groomed lawns.



From March to December 2017, our corporate campus launched a **recycling program** that successfully diverted **116 tons of recycling** and organics from landfills.



Freightquote has received the Mayor's Energy Challenge award for their Energy Star Certified building in Kansas City, MO

Europe aims for carbon neutral travel

C.H. Robinson Europe started a travel emissions offset program in October 2017. We now track air business travel for Europe employees and calculate associated carbon emissions. We then purchase the corresponding quantity of carbon offsets from Carbonfund.org to support the [Rainforest Preservation Project](#) in Acre, Brazil, which preserves critical rainforests; protects habitats for flora and fauna; and provides employment, educational, and health assistance to local people living on the project lands.



Freightquote restores the carbon balance with Terrapass

Since 2009, Freightquote has purchased carbon offsets through Terrapass, an organization that provides carbon offsetting products to individuals and businesses. In eight years, Freightquote has offset nearly 7,500 metric tons of carbon emissions.

Two data centers built with sustainability in mind

C.H. Robinson owns and operates two data centers in Minnesota; both feature several sustainability measures. To reduce water, the cooling systems are closed loop water chilled systems. To reduce energy use, the facilities employ “free cooling” for at least 180 days each year. This practice leverages cooler Minnesota weather for proper temperature regulation, rather than using compressors year-round. Other efforts around containment and renewables further lower electrical costs and the environmental footprint of the two facilities.

Freightview® earns R5 certification

In 2016, Freightview received [R5 certification](#) from Johnson County, Kansas. The R5 program seeks to increase recycling, improve energy efficiency, decrease waste, and save money and resources. Freightview was recognized for outstanding environmental achievements related to waste diversion, recycling, composting, purchasing sustainably, and more.

Awardees met criteria in the following categories:

- 1 **RE**invest in their company, community, economy, and future.
- 2 **RE**think their business process, how they manage resources, and purchasing power.
- 3 **RE**duce consumption, waste, and their environmental impact.
- 4 **RE**use products and consciously buy reusables.
- 5 **RE**cycle as a last resort and buy recycled products to support a closed-loop system.

THE COMMUNITIES WHERE WE LIVE AND WORK

Giving back to our communities and our industry is part of our DNA at C.H. Robinson. We're committed to being a responsible corporate citizen and to supporting the communities in which we operate. Through the company and its Foundation, C.H. Robinson contributes time and money to a variety of organizations.

C.H. ROBINSON FOUNDATION

Building on our long history of supporting our communities, C.H. Robinson established the C.H. Robinson Foundation to expand our impact on the organizations and causes that matter most to our people. C.H. Robinson, the Foundation, and our employees have given over \$23 million to charitable organizations. The Foundation's priorities include:

- Expanding educational success for at-risk youth
- Preventing hunger and providing food assistance
- Expanding and improving access to affordable housing
- Supporting immediate living needs for people in crisis
- Focusing on areas of health—research, prevention, and treatment

Scholarships

The C.H. Robinson Foundation has proudly sponsored two undergraduate scholarship programs since 2013: an Employee Scholarship Program and a Truckload Contract Carrier Scholarship Program. Qualified applicants include employees of C.H. Robinson or our contract carriers as well as their dependents.

Match Programs

Many of our employees follow their passions and regularly contribute their time, expertise, and resources to help their neighbors, both locally and globally. Through our charitable giving match and volunteer match programs, the Foundation supports the charities our employees care most about.

Each year, the C.H. Robinson Foundation doubles the impact of an employee's charitable donation through a gift match. And employees who give their time and talents by volunteering with a nonprofit will receive a gift made in their name.

\$23 million
donated to charitable
organizations



99 scholarships
awarded in
5 years



Employee hardship fund

When tragedy strikes, our employees come together to help each other in a meaningful way. Established to assist our employees financially in a time of need, both the Foundation and employee donations support the Employee Hardship Fund.

EMPLOYEE-DRIVEN CAMPAIGNS

We take pride in our employees' roles as caring and constructive community members. Our offices around the world participate in local or regional charitable giving programs that allow them to support the causes they care about most.

Robinson Cares

Since 1999, C.H. Robinson employees have rallied together to make a positive impact in our local communities through our employee giving campaign, Robinson Cares.

During the campaign, employees participate in a variety of activities, including volunteering and pledging money to raise funds for their favorite charities. In 2017, the month-long campaign raised \$791,000 for local and global nonprofits. In addition to the funds raised, employees volunteered more than 1,450 hours in September for their neighbors in need.

Regional Robinson Cares events

CHARLESTON OFFICE GIVES BACK

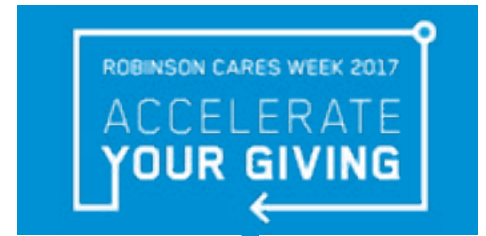
Working with the Carolina Youth Development Center, employees donated clothing; helped create a 16-foot mural; and made a financial investment to support education, independent living, and family goals for the Youth Development Center.

PHOENIX HOSTS FUNDRAISER

Our Phoenix office hosted a Defeat Type 1 Diabetes Golf Tournament thanks to the generosity of employees in that office. The Phoenix office selected JDRF as one of its charities when the daughter of one of our carrier representatives was diagnosed with T1D.

SUPPORTING CHICAGO COMMUNITIES

Employees in Chicago fundraised for many children's organizations, including the Ann & Robert H. Lurie Children's Hospital, Feed My Starving Children, and The DuPage Children's Museum. They raised \$23,000 and volunteered 600 hours for the organizations.



\$791,000
RAISED

1,450
HOURS VOLUNTEERED

WANT MORE STORIES ABOUT THE
2017 ROBINSON CARES CAMPAIGN?

READ MORE PARTICIPANT
STORIES ONLINE





World's Largest Charity Kickball Tournament

Grant Park in Chicago is home to the annual event, sponsored in part by TMC, a division of C.H. Robinson. The event hosts over 1,800 people and kickball teams compete and have fun in an effort to raise money for cancer research.



Lil' Warrior Run

In Dallas, TX, our office hosted an annual 5K run to raise money for the nonprofit Lil' Warriors. Last year, they raised \$90,000 for the organization, which provides financial assistance to families with children who are battling significant medical challenges.



Operation Christmas Child

Children around the world can't afford the basics to survive, much less toys to play with. Six offices across Europe participated in 2017 by raising money and donating 110 shoebox gifts.



WE'RE ALL IN THIS TOGETHER

For us, sustainability is an overall approach to doing business. Our people dedicate themselves to improving our processes and those of our customers, contract carriers, suppliers, and growers to protect the planet and make sustainable progress for the world around us.

We do all this because a better tomorrow benefits us all.

ABOUT US

At C.H. Robinson, [we see things differently](#). We believe in accelerating global trade to drive the world's economy. Using the strengths of our people, processes, and technology, we help our customers work smarter, not harder. As one of the world's largest third party logistics providers (3PL), we provide a broad portfolio of logistics services, fresh produce sourcing, and managed services through our global network. In addition, the company, our Foundation, and our employees contribute annually to a variety of organizations.

For more information, resources, and our blogs, visit www.chrobinson.com.



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