

J.B. Hunt's Sustainability Efforts

February 20th, 2008



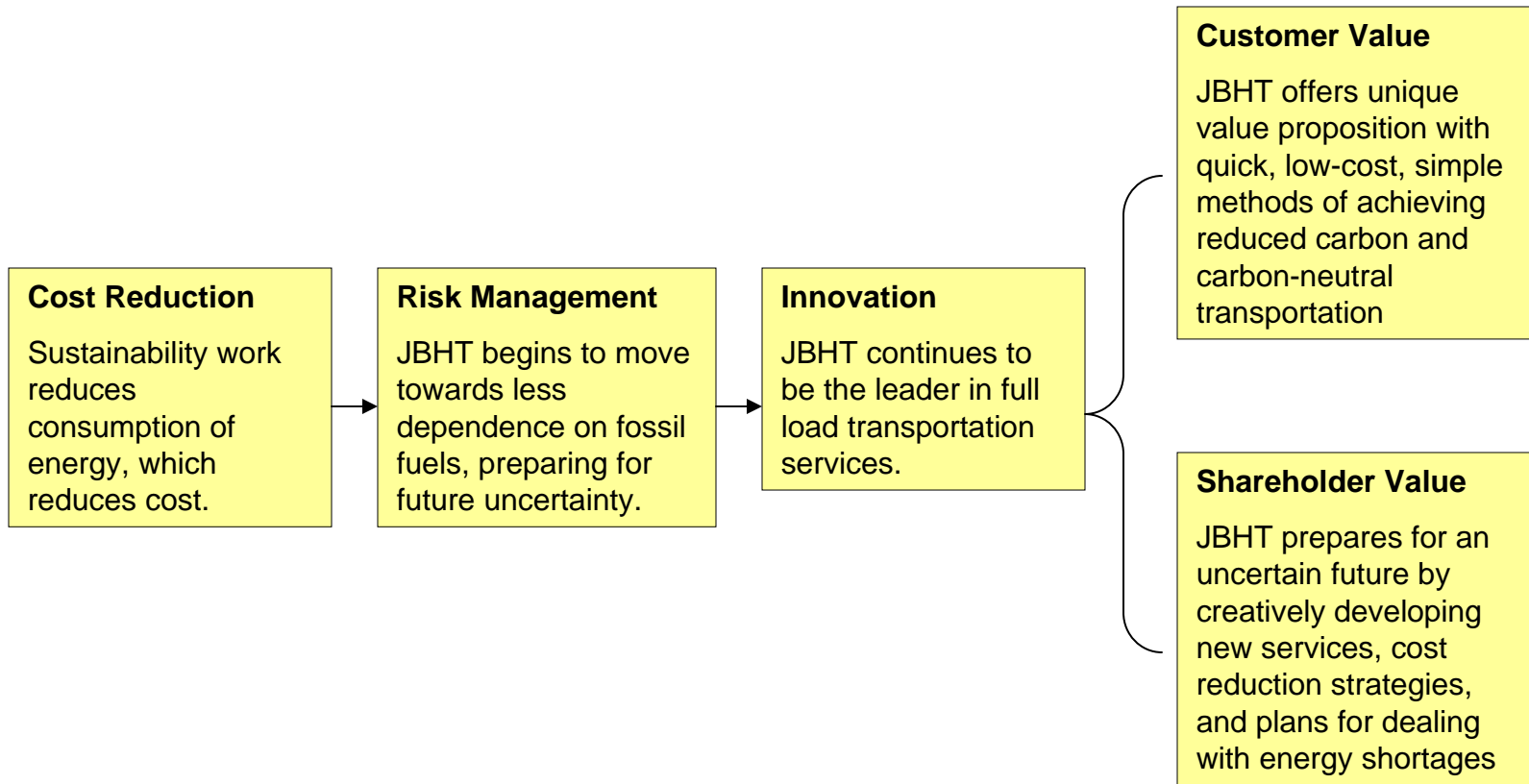
The Transportation Logistics Company

Being \$ucce\$\$ful is Good

“Every single pressing social and global issue of our time is a business opportunity”

- *Peter Drucker*

Sustainability as Strategy – JBHT Perspective



Less fuel consumed + Safer operations + New markets = Better business results













Sustainability...

The Environmental Protection Agency defines sustainability as **“the ability to achieve continuing economic prosperity while protecting the natural systems of the planet and providing a high quality of life for its people.”**

Another definition of sustainability is **“the willing adaptation of an organization to the financial, environmental and social conditions necessary for the long term survival and prosperity of that organization.”**

Both definitions underscore the three-way balance among economics, environment, and society required for any human enterprise to survive and prosper indefinitely.

Innovations pursued by J.B. Hunt Transport Service, Inc. include:

Safety First culture		Unsafe operations are not sustainable. Creating a Safety First culture helps protect both economic health and the motoring public's well-being.
Intermodal conversion		Converting over-the-road shipments to intermodal container-on-flat-car (COFC) shipments reduces carbon emissions by more than 50%, on average. Intermodal conversion is by far the single most effective way to reduce emissions.
Empty mile reduction		Reducing empty miles run between each shipment hauled.
Engine idling reduction		Reducing tractor engine idling through driver incentive programs and on-board equipment like direct-fired heaters and auxiliary power units.
Top speed governing		Governing top speeds on company-owned equipment to maximize fuel efficiency and safety performance.
Mileage optimization		Reducing total miles run by calculating the safest, most direct path from origin to destination and monitoring compliance with the best route.
Tires		Maintaining proper tire inflation and utilizing new tire technologies such as single-wide and low-rolling resistance tires to maximize fuel efficiency where the rubber meets the road.
Friendly fuels		Burning bio-diesel fuels when available and appropriate.
Smart-quipping		Equipping tractors with aerodynamic body moldings and fuel-efficient drive lines.
Eco-driving		Training drivers via simulators to drive in the most fuel-efficient manner.
On-the-go RFID		Utilizing radio frequency identification methods to bypass certain en-route stops (weigh stations and toll booths primarily).
Cool Transport™		Developing Cool Transport™, an industry-first carbon-neutral transportation service designed by J.B. Hunt and BlueSource, LLC. This new service combines offsetting verified emission reduction (VER) credits with existing J.B. Hunt transportation offerings to create carbon-neutral transportation solutions.

In a Nutshell

- ▶ Besides being one of the safest carriers on the road, we are one of the most sustainable and environmentally-friendly transportation companies
 - Carbon-neutral transportation solutions offered today
- ▶ J.B. Hunt Transport solutions make supply chains more sustainable today, directly impacting the “triple bottom line”:
 - Financial
 - Environmental
 - Social



J.B. Hunt's Major Sustainability Actions

- ▶ Participate in the EPA's SmartWaySM program
- ▶ Implement initiatives to increase fleet fuel efficiencies
- ▶ Convert truck shipments to intermodal
 - Best method by far to reduce transportation-related carbon emissions
- ▶ Help customers quantify transportation-related emissions and identify reduction strategies
 - Calculate current carbon emissions
 - Identify reduction opportunities
- ▶ Offer carbon-neutral transportation services
 - Combine verified emission reductions with existing Hunt services to offset and neutralize the associated carbon emissions
- ▶ Share ideas and knowledge with customers and competitors

How To Reduce Supply Chain Transportation Emissions

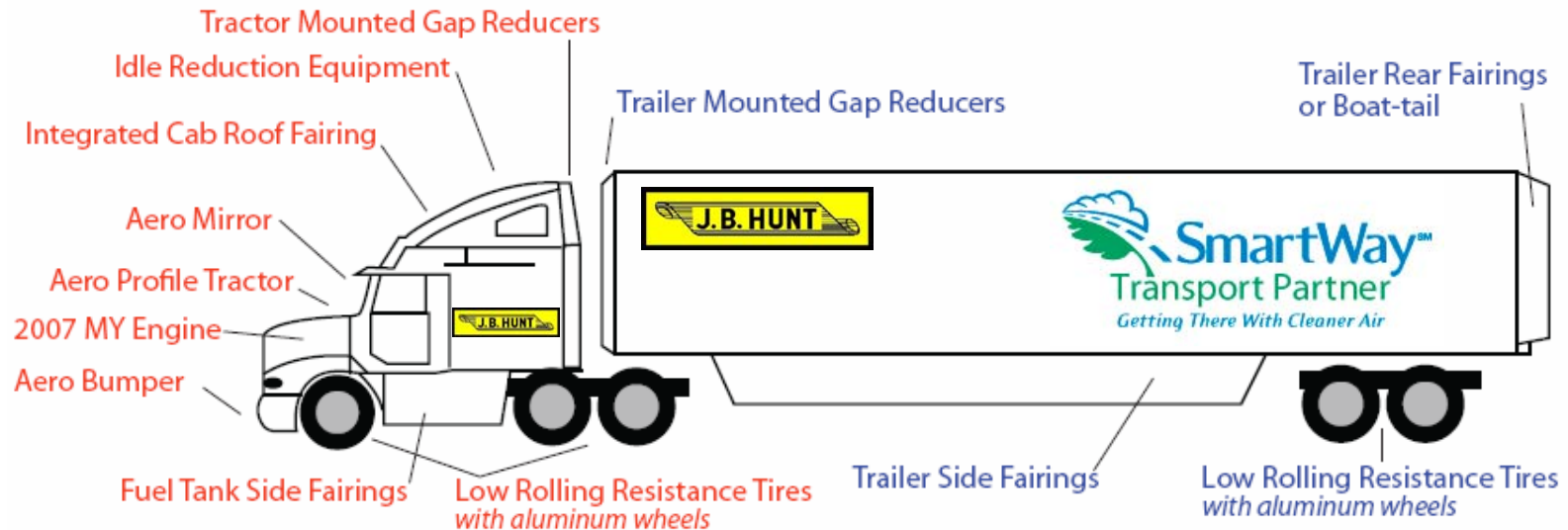
- ▶ Eliminate miles
 - Network re-alignment
- ▶ Increase payload
 - Maximize cube and weight on each shipment
- ▶ Convert to energy-efficient modes
 - Water better than rail, rail better than truck, truck better than air
- ▶ Use energy-efficient carriers
 - SmartWaySM Partners



Truck Fleet Efficiency - Example

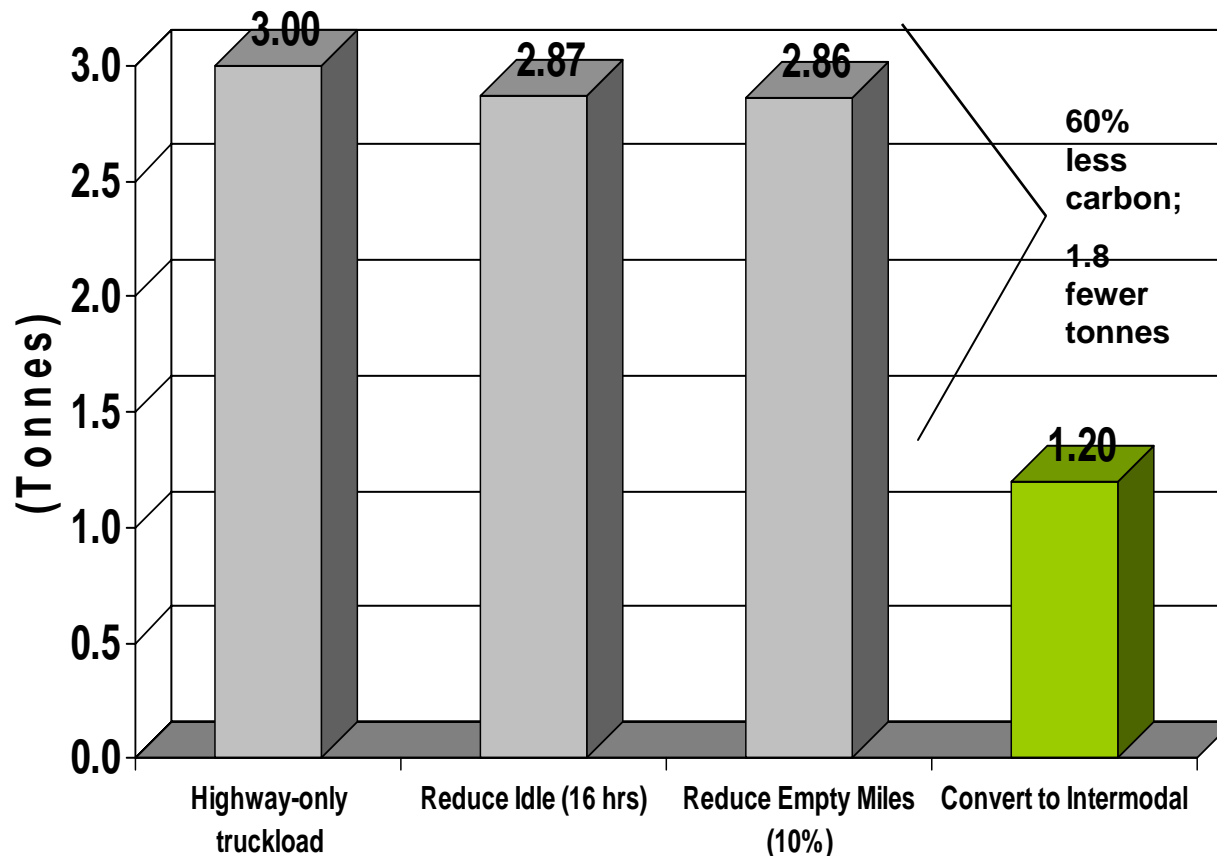
MPG Impact	% Savings	Technology	MPG with Technology
0	0%	Traditional Century truck	6.1 Baseline MPG
-0.2	-4%	Bio-diesel (B20) MPG impact	5.9 MPG
0.2	3%	Cascadia tractor	6.1 MPG
0.4	6%	APU*	6.4 MPG
0.1	2%	Truck tires	6.6 MPG
0.1	2%	Trailer skirt	6.7 MPG
0.1	1%	Nose gap reducer	6.7 MPG
0.1	2%	Trailer tires	6.9 MPG
0.1	0.60%	Trailer tire inflation	6.9 MPG
0.9	13%	Energy efficiency improvement overall	6.9 MPG

*Depending on usage (range could be 3-6%)



Intermodal – Carbon-lite Transportation

Carbon Emissions - 1,800 Mile Shipment



Estimated carbon emissions for an 1,800 mile truckload shipment based on Raven Ridge Resources, Inc. methodology for calculating carbon emissions for truckload shipments via highway and intermodal service. See: <http://www.ghgworks.com/pdf/JBHTIntermodalVerificationReport.pdf>

Reducing carbon emissions from transportation activity requires increased energy efficiency.

While many things can be done to improve overall energy efficiency when transporting over the highway, like eliminating all idle via an auxiliary power source or minimizing empty miles between loads, the impact is modest – 4% in this example.

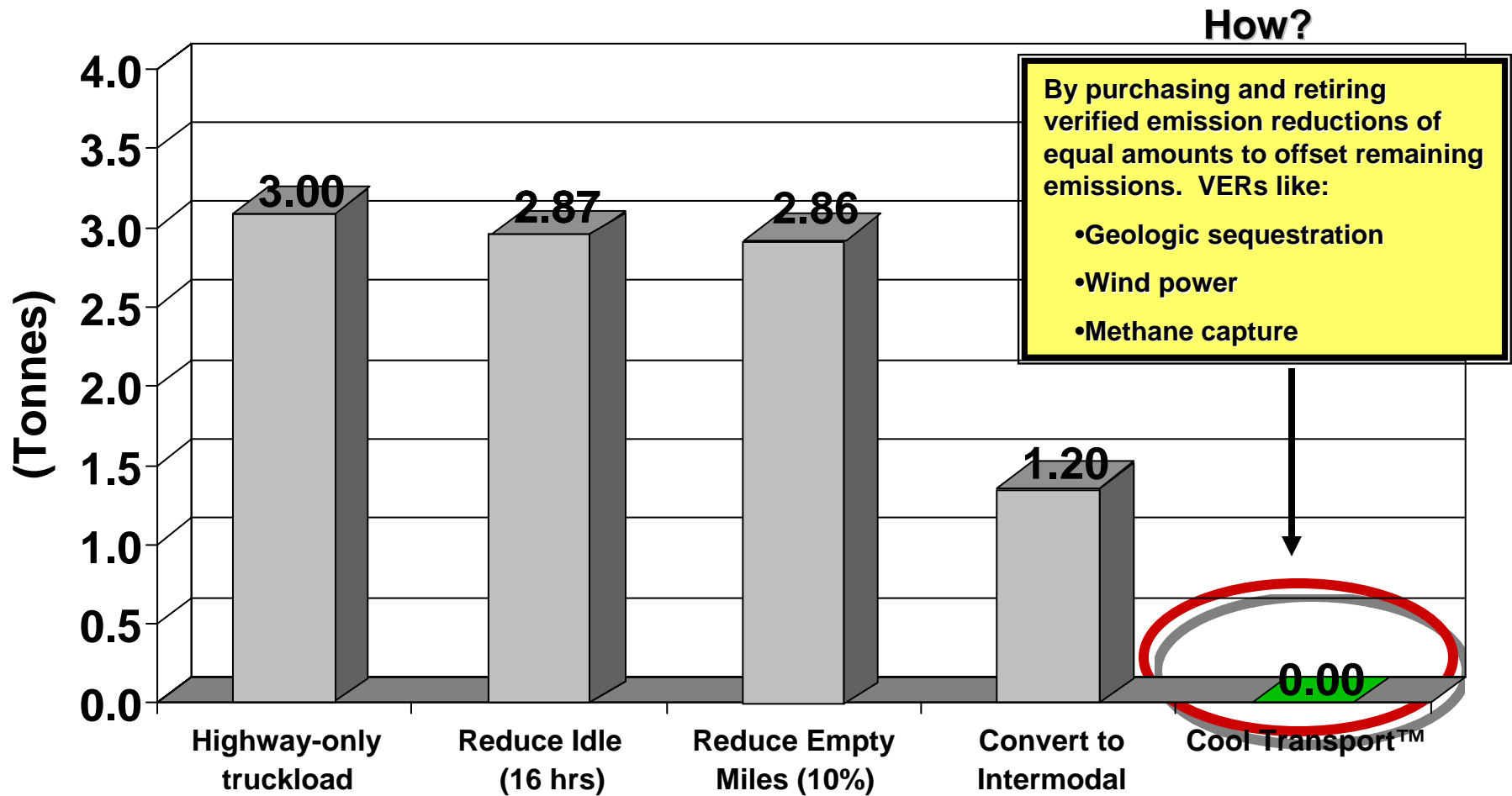
The single largest transportation emission reduction strategy is to convert highway-only shipments to intermodal moves. In this example, carbon emissions are reduced 60% or 1.8 tonnes per load.

As Ray Anderson of Interace, Inc. has written, "Resource efficient transportation, the fifth (sustainability) front, is the front that is least within our control and hardest for us to crack.. Ship by rail whenever possible"

- *Mid-Course Correction*, by Ray C. Anderson

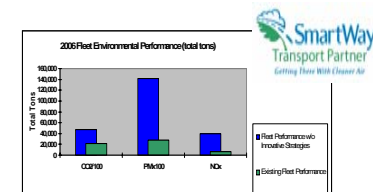
Cool Transport™ is Carbon Neutral

Carbon Emissions - 1,800 Mile Shipment



J.B. Hunt Results

- ▶ Reduced annual greenhouse gas emissions by over 1,000,000 tons
 - Intermodal conversions, empty mile reductions, idle management
- ▶ Generated new revenue streams
 - Sale of carbon offsets
- ▶ Earned recognition as an EPA SmartWaySM Transport Partner
- ▶ Created new service offerings
 - Intermodal network expansion
 - “Green” trucking operations
 - Cool TransportTM



Share Knowledge

- ▶ J.B. Hunt Transport is learning more every day how to impact positively the triple bottom line
- ▶ We are willing to share this information and knowledge, and eager to learn from others' experience
- ▶ Please contact us with any questions or opportunities you may have:

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