essity

# IMPLEMENTATION of RTV *(Real Time Visibility)* With SIXFOLD

March 2023

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# Expectations of Essity towards its hauliers
## *RTV (Real Time Visibility) - Sixfold*

- Essity implements in 2023 RTV with **Sixfold (Transporeon Visibility)**, for all its European FTL shipments
- Hauliers will be contacted before the end of Q1 2023 for onboarding / connection to the Sixfold system, and to supply the real time data
- Hauliers need to provide the contact information of the people in charge of this activity in its company (name, email address, phone)
- Trainings and documentation are supplied in order to support the connection process
- Essity has nominated a Key User (+ back up) in charge of the relation with your company. Hauliers should as well designate an operational contact (+ back up) to review the tracking data with this Key User
- Essity expects haulier's cooperation for a smooth & rapid implementation

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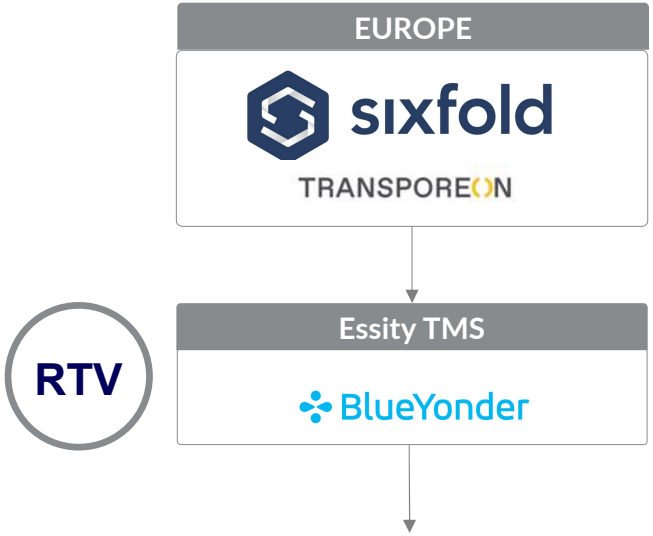
# Real Time Visibility (RTV) – Solution for European Flows

The objective of the overall project is to establish a Real Time Visibility solution for all Essity shipments in Europe and North America. The main driver for the implementation is the expectation of a significant process optimization in combination with a higher customer satisfaction and lower total costs.

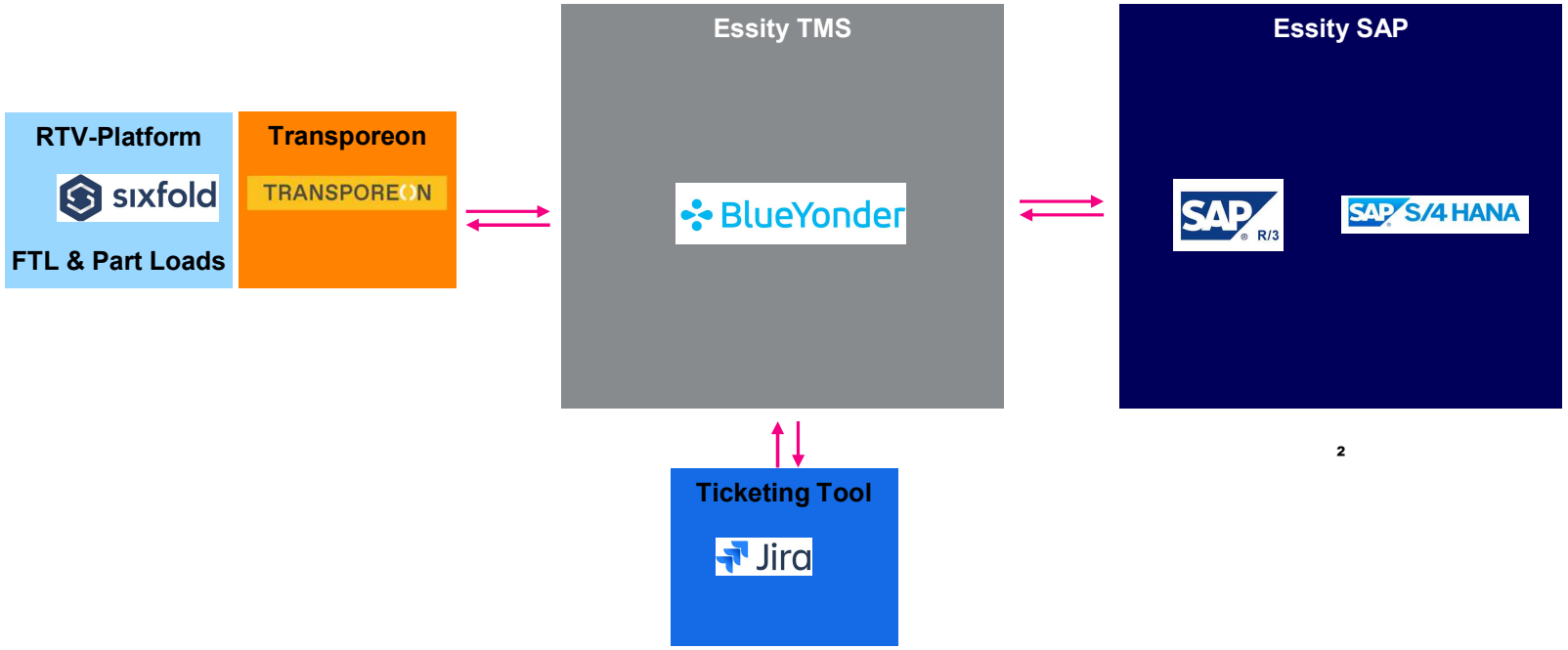



Main goals:

- Improved KPIs (OTS & OTD) / carrier performance
- Reduced cost level
- Increased productivity
- Improved process automation/supply chain event management
- Enhanced warehouse operations and customer visibility
- Reduced risk for OOS

# Decoupling Project: systems integration Europe

## To-Be Set Up for “active” flows *

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** « Active flows »: transport plan managed by Essity in its TMS: mostly FTL, and some LTL*

# Real Time Visibility (RTV) concept

**What is RTV?**

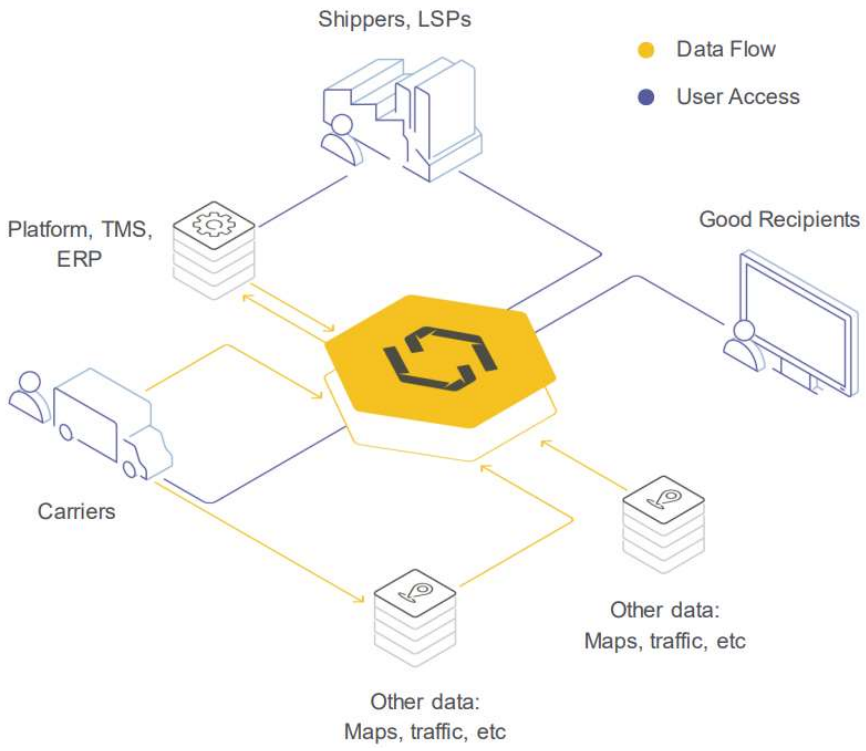
Real time visibility (RTV) keeps all partners in the supply chain informed about shipment statuses

**What is the benefit?**

It enables us to make data-driven decisions, operate, act and interact in real-time. This leads to better planning, collaboration along the Supply Chain and more sustainable transports

**How is it possible?**

We aggregate information (e.g. telematic data & shipment information) from partners across the supply chain to provide ETA predictions



# Real Time Visibility (RTV)

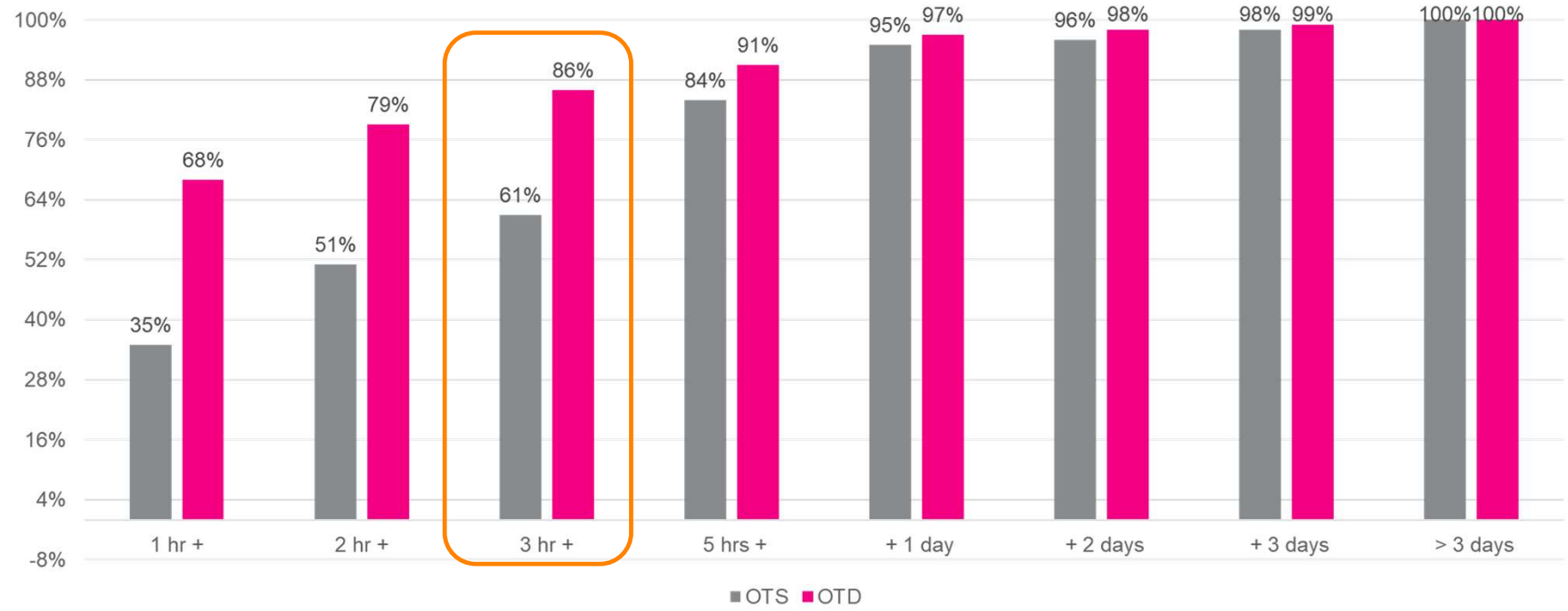
| Drivers | Objectives | Deliverables |
|---|---|---|
| • Limited warehouse efficiency due to blocked gates caused by delayed arrival of trucks<br>• High manual workload for time slot (re-) booking activities<br>• High manual workload for shipment tracking required<br>• Customer satisfaction – increasing demand of Customers for ETA / proactive alerts in case of delays<br>• On-cost due to customer penalties and waiting time fees<br>• No visibility of stocks in transit<br>• Missing real time carrier performance measurement | • Improve warehouse capacity planning<br>• Dynamic Slot booking based on ETA<br>• Remove manual workload for shipment tracking, improve customer satisfaction with pro-active tracking information<br>• Support sourcing decisions based on advanced reporting capabilities<br>• Reduce risk of OOS | • Full ETA visibility & process integration into Essity's systems/processes<br>• Advanced KPI reporting and analytics, integration in Essity's reporting structure<br>• Improve the semi-automatic Track & Trace process executed by the Smart Hub.<br>• Automatically generated alert notifications for involved parties and (on demand) customers |

# Our real On-Time Deliver Performance in EU is around 86%

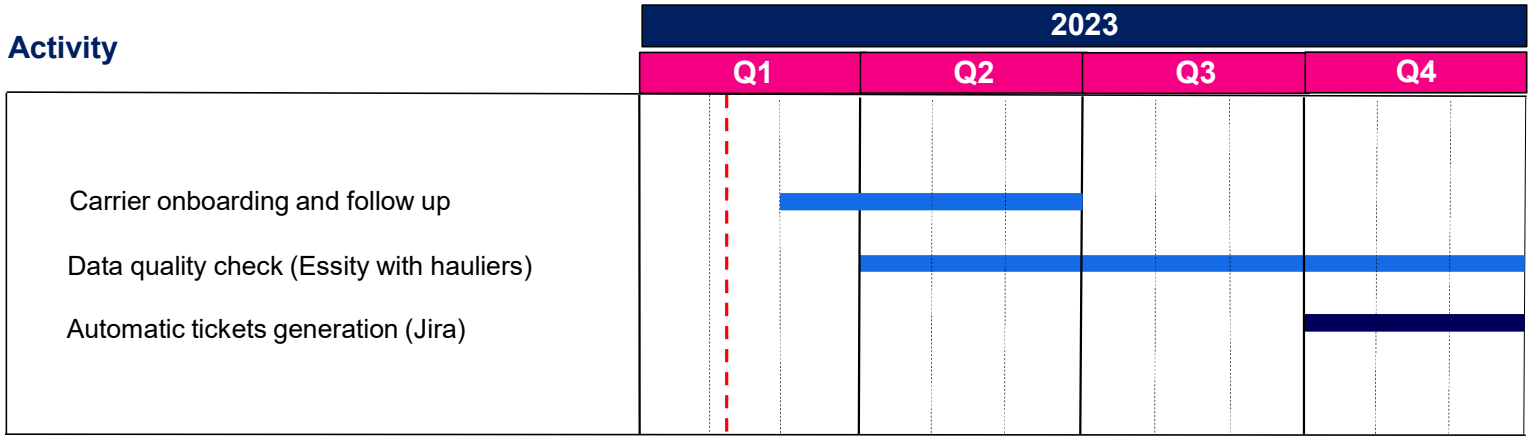
(+/- 3hrs vs. booked slot, On-Time Ship only 61%!)

On-time deliver performance exceeds on-time ship run-rate, 97% of loads arrive max. 1 day late. Due to lead-time settings in days, OTD is structurally higher than OTS (same day loading/unloading possible)

**OTS/OTD EU (only loads with Transporeon PoD, approx. 35% of all loads)**



# Overview of the project plan / Sixfold for Essity



# Carrier onboarding – General concept

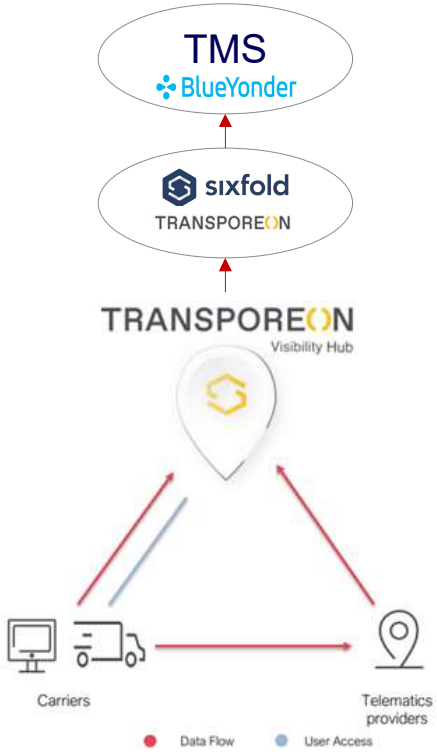
The carrier onboarding is the foundation of a RTV project.

Carrier onboarding refers to connecting a valid (active) source of a GPS signal with Visibility Hub / Transporeon.

This can be done, after an account with Transporeon/Visibility Hub is created. In order to drive the onboarding process as efficiently as possible, it is worth investing time and finding out what your setup is.

The most common GPS sources are:

- FMS / Telemetry system
- Subcontractors FMS / Telemetry system
- In-house TMS



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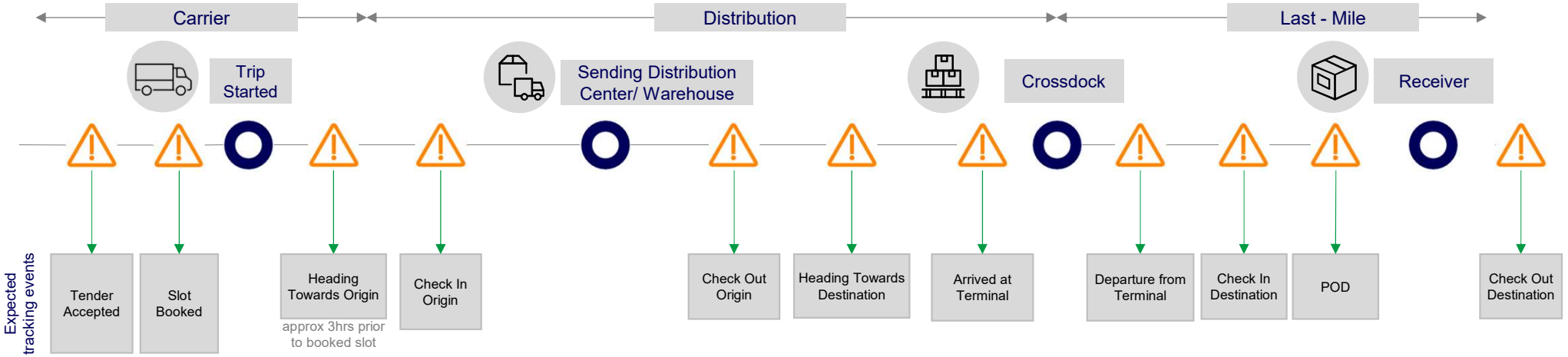
# Tracking Events



# Tracking Events in Transporeon-TMS

- The following table shows the relationship between Transporeon tracking events and TMS events and which status triggers at load and shipment level.

| TPO status | TMS Event | TMS Event Triggered |
|---|---|---|
| Heading towards Loading Station | Heading towards | |
| Loading arrival | Driver check in | |
| Loading departure | Driver check out | Load → In Transit<br>Shipment → Picked Up |
| Heading towards Unloading station | Heading towards | |
| Unloading arrival | Driver check in | Load → Completed<br>Shipment → Delivered |
| Unloading departure | Driver check out | |
| ETA updates | ETA Update | |

# Geofences functionality and ETA calculation - Sixfold

Arrivals and departures are detected via **geofences** while **ETA** calculation is based on various data inputs and machine learning algorithms.

Geofences are used to recognize arrivals and departures. It is also the basis for the timestamps that are set. A geofence is set up based on address data. This leads to a 100% success rate if the input data is correct.

Visibility HUB state of the art machine learning algorithms combine GPS data with a variety of other data. By constantly enriching algorithms with current learnings and patterns, Visibility HUB provides the most accurate predictions on the market.

*NOTE: This information has been taken from Sixfold website, more details about this topic in the following link →*

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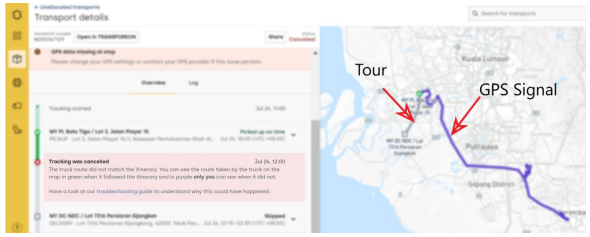
# 1. Tracking stops when truck is taking a <u>different route</u> compared to the one calculated by Sixfold

***The unexpected truck behavior is one of the reason of cancelled shipments***

*GPS data of transport plans and actual truck movement does not match*




For **cancelled transports**, Visibility Hub offers all carriers a separate view not only displaying the actual tracked transport but also showing an additional purple line.

## <u>Detecting loading and unloading locations</u>

Around each loading and unloading location there is a set of GPS coordinates that is associated with this location. Visibility Hub smart algorithm can detect based on the GPS signal of the truck if a such a location is physically entered. That will trigger switching visibility on (=starting a tour) or off (=ending a transport).
In reality there are two major problems that can occur if the loading or unloading of a truck cannot be detected:

1. A wrong truck was allocated
2. The truck did not send any GPS signal at the (un-)loading location

## <u>Important information</u>

In practice we know that there can be many reasons, why a truck is driving the route not in accordance to the transport plan. In Visibility Hub this is taken into consideration **as long as the truck visits the stops that are specified in the transport**. *Even if the truck services the stops in a different order, the transport will still be tracked.*

However, if the truck is too far away from any of the stops, it is planned to visit, Visibility Hub will notify with the warning above to protect the privacy of your data.
Please note, the better Visibility Hub knows in which order the truck visits loading and unloading stops, the more accurate will be the calculated ETA in real time.

*More information about this topic in the following Sixfold link →*

# 2. Tracking stops when the tractor is being exchanged during the transport

***Guide of how to allocate more than one truck to a shipment and perform a tractor switch***

**Via Visibility Hub of Sixfold**

There are two main possibilities for performing a tractor switch directly in the Visibility Hub UI.

- Real time allocation
- Pre-planned allocation

You can find step by step in the following link:

**Via interface of your company**

Tractor switches are supported functionally in the API. The principle behind it is the same as if the allocation happens in the UI (pre-planned allocation & real time allocation).
If you need further information on this, please contact support.transporeon.com
If you are allocating via Transporeon, real time allocation is still possible. This means that you can simply change the allocated license plate in Transporeon. This information will be forwarded to Visibility Hub so that the tracking of the transport is continued with the correct vehicle.
Should you encounter any issues or need further assistance, please reach out to support.transporeon.com

*More information about this topic in the following Sixfold link →* 

# 3. What information is shared with my shipper? How the data protection works?

***Guide of how to allocate more than one truck to a shipment and perform a tractor switch***

The location and the status of the vehicle are only shown, if you activated data sharing e.g. by allocating a truck to the transport.
The position of the truck will only be visible to your shipper, while an assigned transport is ongoing. This means that the truck position will only be displayed, after the truck arrived to the first loading stop and until it left the final unloading stop.

The system recognizes the arrival and departure of the truck with the smart geofences.

**<u>Can my shipper see if I visited another customer right before a transport?</u>**

No, the tracking will only start, as soon as the truck arrives at the loading place of the actual transport. The shipper won't know, where the truck was coming from.

**<u>What if I have to change the truck and the initial one has to drive to another customer?</u>**

The system recognizes if a truck is deviating from the planned route and will stop sharing the truck position to your shipper.


*More information about this topic in the following Sixfold link →*

# 4. Tracking doesn’t start when the loading takes place at an external storage location

***The system recognizes the arrival and departure of the truck with the smart geofences, if the tracking doesn’t start it means the external storage location was not identified by the geofence functionality.***

## Adjust the geofence of a place

Visibility Hub relies on a correctly set geofences to properly detect arriving and departing trucks. If you experience tracking issues for certain places, it can be due to a wrongly set geofence.

If you face this issue, please contact support.transporeon.com as soon as possible.

# Other Questions
## Q&A updates

- Other questions from our hauliers should be raised to the Essity key users so that they can be answered shortly
- The list of Q&A will be progressively enriched with the experience and feedback following the first months of RTV activity.
- Q&A updates will be circulated regularly and made available over the network.

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