

CASE STUDY: CROWN PRINCE, INC.

One Company's Quest for Compliance Turns into Standard of Industry Excellence

The past several years has seen the rapid introduction of the supplier sustainability scorecard to understand the risks and opportunities inherent in a company's supply chain. Many multinational corporations across industries, including Walmart, Kohl's, Kaiser Permanente, Johnson Controls, and Dell require suppliers to respond to their requests for environmental impact measurement, reduction, and disclosure. NGO's, trade associations, and

government have also put pressure on companies to provide this same information. As a result, more and more suppliers are finding it necessary to begin tracking metrics such as carbon emissions, energy consumption, water use, and solid waste generation and diversion.

Crown Prince, Inc., a name synonymous with fine quality canned seafood products, is one supplier who has taken the request of their buyers seriously—and has benefited as a result. While sustainability and a connection to the sea have always been core principles at the company, the Walmart Supplier Sustainability Assessment (SSA) served as a catalyst to prompt Crown Prince to formalize these practices and enhance their commitment to sustainability. By analyzing, tracking, reducing, and disclosing information about their carbon footprint, operational practices, and suppliers, Crown Prince has set itself apart as a leader in sustainable business, moving well beyond compliance to become a shining example of best practice.

Read more about supplier scorecards in our recent white paper <u>The Growing Trend</u> of <u>Sustainability Scorecards</u>.



This case study will explore Crown Prince's journey from supplier to sustainability leader and share the many best practices undertaken by the company along the way.

Compliance Leads to Early Success

A leader in the canned seafood industry, Crown Prince, Inc. is a family-owned company based in California that has been providing its products to the American marketplace since 1948 and Mexico since 1993. Known throughout the United States and Mexico, Crown Prince features three product lines that span the spectrum of seafood from smoked oysters to albacore tuna.

When Walmart released the SSA in 2009, Crown Prince took the request to respond seriously. In 2010, Crown Prince enlisted the help of Renewable Choice Energy to help them respond to the SSA, conducting a greenhouse gas (GHG) inventory and reporting the results to the <u>Carbon Disclosure</u> <u>Project's</u> (CDP) Supply Chain Program. Crown Prince also chose to work with Renewable Choice to develop a supplier code of conduct, including purchasing guidelines that address environmental impact, social responsibility, and product safety, that they could make publicly available in order to increase their score on the SSA.

After their initial success, Crown Prince decided to embrace sustainability further, working with Renewable Choice to ensure all Crown Prince's employees were educated on the principles of sustainability and to develop a long term sustainability roadmap.





Crown Prince's Carbon Footprint

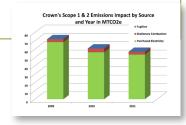
From the beginning, measuring and managing carbon emissions has been at the core of Crown Prince's environmental impact strategy. By conducting an annual GHG inventory and reporting the results to the CDP, Crown Prince has developed a deep understanding of the company's net climate impact, allowing them to set and meet corporate emission reduction targets.

Carbon emissions are classified according to type and can be grouped into direct or indirect emissions. Direct emissions are produced by sources owned or controlled by a company, while indirect emissions are generated through purchased electricity, business travel, and a variety of other sources.

Most companies measure both direct and indirect emissions when conducting their GHG inventory. However, Crown Prince has gone a step further by committing to measure emissions from a wide variety of sources, such as employee commute. Crown Prince's commitment to comprehensive carbon and energy management, transparency, and sustainability in general helped them obtain a score of 79 with the CDP, which is 55% higher than the CDP's Supply Chain Program average¹. This score also places Crown Prince in the High scoring bracket, defined by the CDP as companies whose "senior management understand the business issues related to climate change and are building climate related risks and opportunities into core business."²

Renewable Choice has worked closely with Crown Prince since 2010 to help us set and achieve our sustainability goals. With help from Renewable Choice, we have successfully reduced emissions associated with purchased electricity by 20%. By using Mosaic[™] for our data management we have been able to expedite our research and data entry time creating a more transparent and accurate sustainability report. This has enabled us to increase progress and advance our sustainability initiatives into areas that were further in the future. Doing business with Renewable Choice has truly benefitted Crown Prince and I feel that working with them would be an asset to any business."

> Jeanmarye Stobaugh Director of Operations Crown Prince, Inc.



In order to support their data collection, analysis, and reporting efforts, Crown Prince chose to utilize Mosaic™, Renewable Choice's web-based carbon accounting solution. Mosaic is a user friendly system

that produces easy-to-understand, high quality carbon analytics. By using Mosaic, Crown Prince has been able to gather, input, and track the company's emissions data, generate reports—including the data required to report to the CDP—and identify mitigation and emission reduction opportunities.

Initially, Crown Prince set a target to reduce the company's purchased electricity consumption by 20% through 2011—a goal they were able to achieve through a combination of behavioral changes among Crown Prince's employees and grid-sourced renewable energy purchases. In addition, the Crown Crown Prince has successfully reduced emissions from electricity usage by 20% since they began measuring their carbon footprint and reporting to the CDP. In 2012, the company set an additional goal to reduce emissions from air travel by 10% over the next five years.

Prince Green Team was able to use Mosaic activity data to identify a billing error on the part of the company's utility of close to 15% of the company's power usage, saving the company substantially on their electricity bill.

¹ http://www.crownprince.com/corporate-sustainability.htm ² https://www.cdproject.net/en-US/Results/Pages/CDP-2011-disclosure-scores.aspx





Today, Crown Prince continues to use Mosaic on a daily basis to track its product trading and monthly activity. Staff within Crown Prince has been assigned to track inbound and outbound product trading data that is uploaded into Mosaic when the data is received. This represents a significant volume of data that Crown Prince is entering real-time, allowing them to gain valuable insights into their supply chain emissions, and helping them to identify opportunities for emission reductions and operational efficiencies.

A More Comprehensive Approach

Although reducing carbon emissions is at the heart of the Crown Prince strategy, the Crown Prince team—led by President Dustan Hoffman and Director of Operations Jeanmarye Stobaugh—decided that wasn't all that Crown Prince could, or would, do to reduce the company's environmental impact.

Starting in 2010, Crown Prince began implementing additional environmental initiatives based on the roadmap developed in conjunction with the Renewable Choice team. One of the first of these initiatives was the establishment of the corporate SCore Group (Sustainability Core Group), which is led by president Hoffman. The SCore Group is tasked with identifying and implementing specific sustainability projects and goals to help the company manage and reduce its environmental impact and meets regularly to review the company's sustainability work plan.

Committing to sourcing raw materials that are produced in environmentally and socially responsible ways is another of Crown Prince's most important initiatives. Crown Prince works with suppliers and third party agencies such as the Marine Stewardship Council and the International Seafood Sustainability Foundation to ensure Crown Prince only sources seafood from well-managed fisheries that use sustainable harvesting methods and other sound environmental practices. In addition, Crown Prince works closely with suppliers to reduce their environmental and social impacts by helping them to reduce waste, water use, emissions, and energy consumption while also improving recycling efforts.

The company doesn't stop with sustainability for the environment: Crown Prince's employees are also part of the organization's sustainability roadmap. The company has worked to develop employee engagement programs that are meaningful for the staff and that contribute to individual health as well as environmental. The company's employee initiatives have included workshops in sustainability, sustainability focused lunch-and-learn sessions, community-based environmental engagement, and health and wellness programs like Crown Prince's "Walk a Mile Club." Employees also report their business travel and commuting emissions information via Mosaic.

Conclusion

Crown Prince's ability to turn a request for compliance into an integrated business strategy has set them apart as an industry leader. The company embraced the request to participate in a supplier sustainability scorecard program and turned it into an opportunity to develop greater operational transparency, realize real cost savings, and increase employee and supplier engagement. Their passion for sustainability has the potential to translate into new business opportunities, as companies with an

interest in working with like-minded buyers, such as Whole Foods Market, begin to take note of the initiatives Crown Prince has implemented.

For more information about how Renewable Choice, Mosaic, and our services can support your sustainability initiatives, <u>click here</u>. To learn more about Crown Prince's comprehensive approach to sustainability, visit www.crownprince.com.

