PALLET SOLUTIONS - PALLET RECYCLING PROGRAM

Quarterly Business Review

Quarter: [Q_, Year] · Prepared for: Program customer - multi-site network · All sites in scope

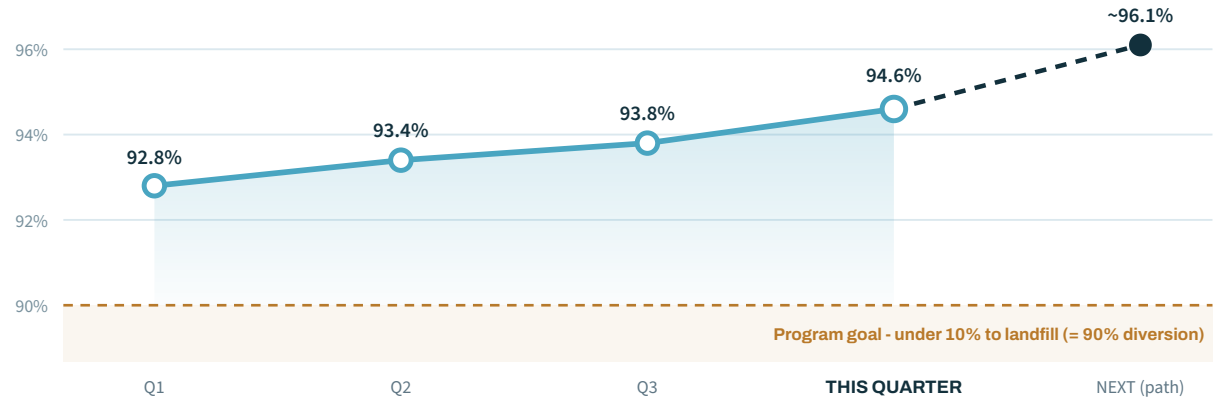
SAMPLE - ILLUSTRATIVE DATA

94.6%	+180 bps	78,200	5.4%
DIVERSION · THIS QUARTER	VS Q1	UNITS PICKED UP	LANDFILL - REASON-CODED

The monthly reports and load-level exports carry every site and every bill of lading (BOL). This review is the layer above them: where the program is heading, and what the waste stream says about how to push it further. Every figure traces to a signed pickup BOL, yard-reported at the load, aggregated across every servicing vendor.

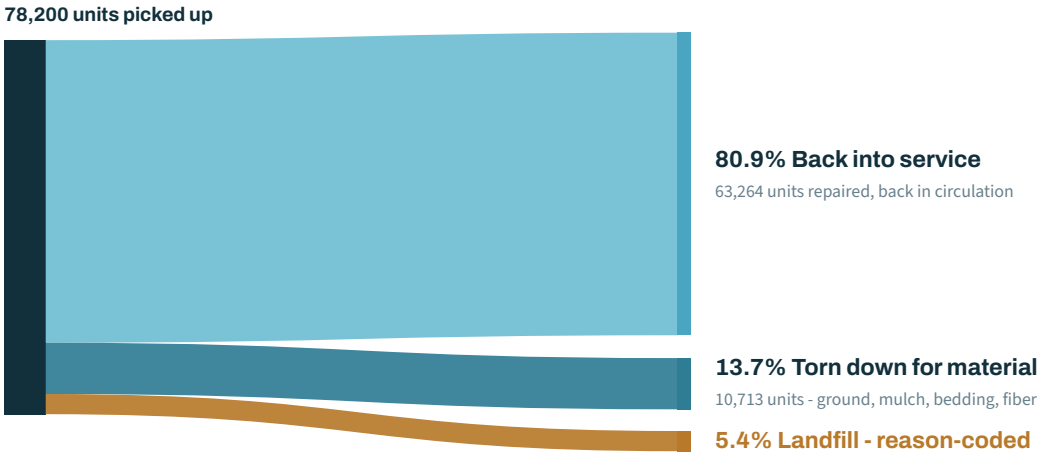
DIVERSION TRAJECTORY

Program landfill-diversion rate by quarter, against the program goal - with the measured path to the next level



WHERE THE QUARTER'S MATERIAL WENT

78,200 units this quarter - one flow, three outcomes, every stream yard-reported at the load (pooled assets returned to poolers are tracked separately and excluded)



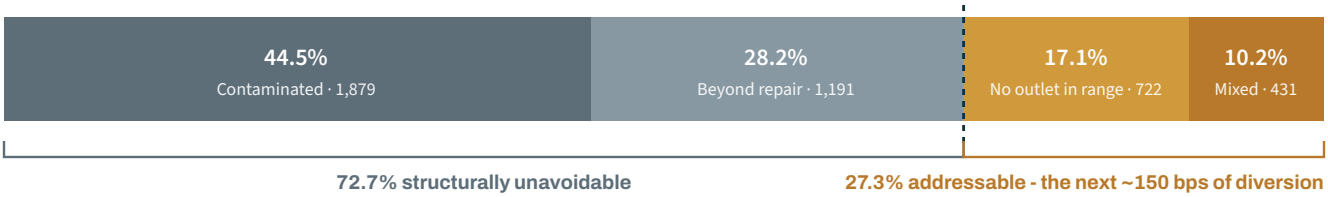
80.9% Back into service
63,264 units repaired, back in circulation

13.7% Torn down for material
10,713 units - ground, mulch, bedding, fiber

5.4% Landfill - reason-coded
4,223 units, every one carries a reason code

RESIDUAL ANALYSIS - THE PATH FORWARD

The 5.4% that went to landfill - 4,223 units - and how much of it is winnable. Three of these four reasons describe the pallet. The fourth describes the region it was in.



Closing the two addressable paths takes program diversion from 94.6% to ~96.1% - the dashed line on the trajectory on page 1.

WHAT YOUR WASTE STREAM IS TELLING YOU

Mixed-material units concentrate at DC 02 - Southeast. Mixed material is 10.2% of the program's landfill residual overall; at this one site it runs roughly three times that share. These are composite pallets that cannot be ground - an upstream packaging-spec signal, not a site problem. A supplier-packaging review of that DC's inbound flow is the highest-leverage diversion action available in the program, and it costs nothing at the dock.

THE ONE REASON THAT IS NOT ABOUT THE PALLET

722 units - 17.1% of the landfill line - were recoverable. Contaminated, beyond repair and mixed material are all properties of the pallet. This one is a property of the map. The wood was sound; what was missing was a destination for it within economical haul distance of two sites - grinding capacity that accepts this material, or a mulch, bedding or fiber buyer in the region. Processing equipment has limits on size, species and treatment, and where those limits and the geography overlap, a usable pallet is landfilled for reasons that have nothing to do with the pallet.

That makes it the most winnable line on the chart, which is why it is broken out rather than folded into a scrap total. Pallet Solutions is working the region for an outlet on this stream; if one lands, that slice moves from landfill to recycled - worth ~90 bps of program diversion on its own, and it costs your sites nothing.

SITE MOVERS THIS QUARTER

SITE	DIVERSION	CHANGE	DRIVER
DC 07 - Southwest	**96.1%**	+210 bps	Grind outlet secured for odd sizes
DC 14 - Great Lakes	**95.2%**	+120 bps	Moisture-damage source corrected at dock
DC 02 - Southeast	**92.5%**	flat	Mixed-material inflow unchanged - see insight above
DC 21 - Northeast	**91.8%**	-60 bps	One contaminated-load event, documented and closed

Exception sites only - every other site held within 50 bps of last quarter. Full per-site and per-load detail is in the monthly reports and exports; this review names only what moved and why.

HOW THESE FIGURES ARE PRODUCED

Pallet Solutions does not own processing facilities. Every pallet is graded by a person at the servicing yard, and the disposition is recorded on the signed pickup bill of lading at the load. Figures are yard-reported at the load, by site, by weight, aggregated across all servicing vendors on one standardized basis.

How the weight is arrived at, plainly: pallets are graded and counted at the load, not weighed at the dock. Weight is converted from that count at a stated basis of 46 lb per GMA core. Unit counts are the measured figure; weight is the conversion.