

SB

Sustainable Business

M A K I N G I T H A P P E N



Emissions rules ahoy!

Shipping is twice as polluting as aviation but has gone under the radar – until now



Deborah Meaden

Dragons' Den TV star talks biofuels, packaging and ethical investing



Quenching the thirst

Delivery firm TNT is cutting down on its fuel consumption, among other things

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REWARD

OFFSET

REDUCE

CARBON CONUNDRUM

To reduce or to offset? Exploring the multi-million-dollar question

ON THE ROAD TO DELIVERANCE

Delivery firm TNT guzzles nearly 30M litres of diesel a year in the UK alone. But the company is taking steps to clean up its act, and receiving public acclaim for its environmental initiatives. **Jitendra Patel** reports

TNT provides businesses and consumers in more than 200 countries with a range of services for their mail and express delivery needs. Employing more than 160,000 people worldwide, it operates more than 29,000 vehicles (3,500 in the UK) and 44 aircraft. Its UK fuel consumption is 30M litres of diesel.

One fifth of carbon dioxide emissions globally are derived from transport activities, and TNT acknowledges that as a contributor to the problem of climate change it has a responsibility to be part of the solution.

Initiatives to reduce CO₂ emissions affect every aspect of the company's business and result from the development of an externally verified environmental management system.

It has now been certified by Lloyd's Register Quality Assurance for ISO14001 as part of the group's strategic objective to achieve this standard in addition to ISO9001 (quality management) OHSAS18001 (occupational health and safety management) and Investors in People for the benefit of TNT staff.

All four of these standards have now been achieved for the company's global business and as an example of the competitive advantage that this brings. It believes it is the only express logistics and mail service provider in the UK to be certified against the global management systems standards for both environmental and occupational health and safety.

Pilot success

In the UK, TNT conducted a pilot environmental management scheme at a depot in Northamptonshire.

The scheme was a success, and as a result it was decided it would be rolled out to the entire UK network. At the same time, TNT established a number of key global objectives. One of these was to reduce its carbon footprint, and a second was to gain external and independent recognition of its environmental performance.

TNT believes that corporate activities, combined with individual actions, can make a



TNT operates more than 29,000 vehicles around the world and employs 160,000 people

profound difference in the fight against climate change. This is the philosophy behind Planet Me – a three-pronged approach to slashing its CO₂ emissions. It comprises:

- **Count Carbon** – a commitment to transparent reports on carbon, which improve the understanding of emission sources and identify potential reductions
- **Code Orange** – a mandatory programme that touches every area of the business, putting environmental stewardship at the heart of strategy and culture. TNT committed to this initiative in 2005 with the Driving Clean programme to achieve sustainable reductions in vehicle emissions
- **Code Orange builds on that commitment, and includes new policies in eight areas:** aviation, buildings, business travel, green investment, company cars, operational vehicles, partnering with customers and procurement
- **Choose Orange** – recognising that TNT employees and their families produce roughly the same CO₂ as the company does in the course of its business, Choose Orange is designed to encourage employees to undertake personal environmental initiatives

A website (www.tntplanetme.com) has been created to explain the programme, outline the key objectives and to offer a wide range of suggestions for ways in which carbon dioxide emissions can be reduced.

Within the Code Orange programme a range of initiatives are under way. The company has established a Delivering Clean campaign, which incorporates the deployment of electric and hybrid vehicles, and compliance with Euro 5 emissions limits with the remaining fleet. In addition, training schemes for drivers have been implemented to improve fuel efficiency.

Renewable electricity supply at depots with smart metering enable improved control of electricity consumption.

A number of waste management initiatives are also under way, primarily to increase recycling levels. For example, in the UK, waste recycling increased by 33% in 2007 to 4,536 tonnes, which created a cost saving of around £300,000.

Videoconferencing has been introduced to reduce executive travel and financial incentives have been provided to staff that choose low emission company cars.

Holistic approach

The business has received widespread public acclaim as a result of its ISO14001 certification and the initiatives that have resulted from it.

The environmental management system ensures implementation of environmental objectives at all levels within TNT both operationally and individually. It helps create business systems that continuously improve environmental performance and ensures an holistic approach to environmental management.

Neil Griffiths, director of health, safety and environment at TNT Express Services says: "In terms of business assurance, this is not just a tick in the box.

"For us it's about continuous improvement; it's more than just a certificate that hangs on the wall. It's about creating good business benefits from a robust environmental management system."

TNT's environmental performance has also been recognised by the Dow Jones Corporate Sustainability Index (DJSI). In 2005, the firm entered the industrial transportation index as industry leaders, with an overall score of 75.



In 2006 the score improved to 84 and in 2007 TNT topped the entire DJSI with a rating of 92 – which it repeated for a second consecutive year in 2008.

TNT has reported significant competitive advantage from the achievement of verifiable environmental performance. But certification also features prominently as a requirement in many tenders.

Griffiths adds: “Many customers are delighted that we have achieved certification because it blends with their commitment to reduce their environmental impact. As their carrier, we are an extension of their business. And the fact that we have ISO14001 certification helps them to achieve their own objectives.”

Latest initiatives

On 23 June, TNT Post launched the UK’s first carbon-neutral mailing service for business addressed mail. The new service will enable organisations to evaluate, reduce and offset the carbon emissions related to their mailings.

Nick Wells, chief executive of TNT Post, says: “The new service is the next step in TNT Post’s commitment to becoming the lowest-emission mail company, through our

Planet Me programme.

“At the core is an aim to help reduce carbon emissions and promote recycling – both in terms of mailing with recycled materials and influencing end customers to recycle mail items.

“We want to help organisations consider how their carbon footprints can be reduced. The removal of carbon emissions reduces the need to offset, which is ultimately better for the environment.”

In May this year, TNT launched the world’s largest fleet of zero-emission vehicles, enabling it to reduce its carbon footprint by 1.3Mkg of CO₂ a year.

The new 100-strong fleet of battery-powered Newton-style delivery trucks will replace diesel equivalents over the next 18 months. The first tranche of 50 trucks will initially operate from TNT locations in London, Basildon, Birmingham, Bradford, Bristol, Byfleet, Cannock, Durham, Edinburgh, Enfield, Glasgow, Leeds, Leicester, Luton, Maidstone, Northampton, Oxford, Paisley, Preston and Wolverhampton.

In addition, TNT is piloting other Smith Electric battery-powered vans and trucks in

TNT has lofty ambitions: to become the first zero-emissions express and mail company

the Netherlands, with a view to rolling them out across its wider European operations.

On average, it costs just £40-a-week to power a zero-emission vehicle as opposed to around £200 spent on diesel fuel. The electric vehicles are also exempt from the London congestion charge – around £1,750 a year – and do not incur road tax in the UK. It is a situation that TNT hopes others will follow.

Peter Bakker, TNT CEO, said: “We are living in times of great change and the launch of the fleet represents a critical component in what we are striving for – to make TNT the first zero-emissions express and mail company.

“Global warming is the biggest issue the world is now facing. As a transportation company, TNT contributes to this problem – which is why we are constantly looking for ways to reduce our carbon footprint. State-of-the-art electric vehicles are a great alternative to those that use fossil fuels, especially in urban areas.”

 www.tnt.com