**Corporate Public Policy and Responsibility** 

## GoGreen Program Best Practices in Asia and Beyond

Björn Hannappel 6<sup>th</sup> Regional EST Forum in Asia, New Delhi, 5 December 2011

#### **Deutsche Post DHL**



Environmental protection with Deutsche Post DHL



Deutsche Post DHL GoGreen Program Carbon Accounting and Controlling Going Green in Asia and Beyond

#### Deutsche Post DHL GoGreen Program

Carbon Accounting and Controlling Going Green in Asia and Beyond

### Increasing Importance of Green Logistics and Carbon Transparency

# Interest in Green Logistics has significantly increased in recent years and demand for transparency of carbon emissions has expanded considerably



Source: DHL Express Asia Pacific

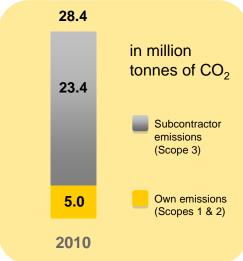
#### **Deutsche Post DHL**

#### Climate Protection – A Special Responsibility



#### **Deutsche Post DHL's carbon footprint**

- As a global logistics company, we move goods and information worldwide.
- With transport at the core of our business, we produce CO<sub>2</sub>, the main cause of climate change.
- We initiated the GoGreen environmental protection program to accept responsibility for the environment by reducing our impact.



Source: Corporate Responsibility Report 2010, Deutsche Post DHL

#### **Reaching Goals through Efficiency**

Deutsche Post DHL was the first globally operating logistics company to set itself a concrete CO<sub>2</sub> efficiency target



GoGreen improves our carbon efficiency and sets the standards for green logistics

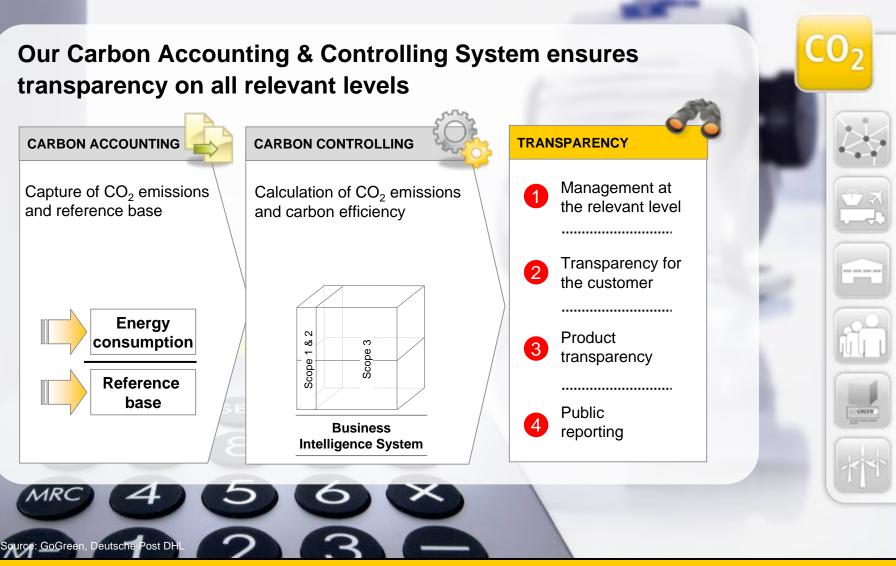


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## Deutsche Post DHL GoGreen Program *Carbon Accounting and Controlling* Going Green in Asia and Beyond

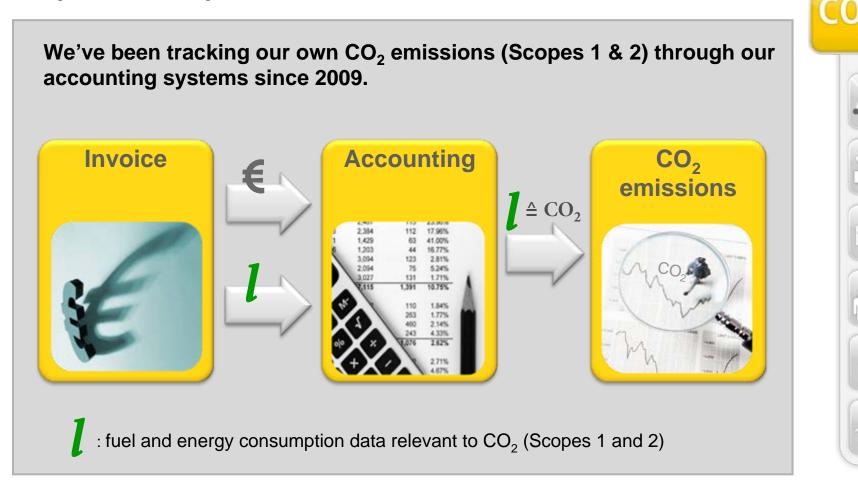
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#### Measuring CO<sub>2</sub> Emissions



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## Our accounting systems were modified to record CO<sub>2</sub> emissions for Scope 1 and Scope 2 emissions

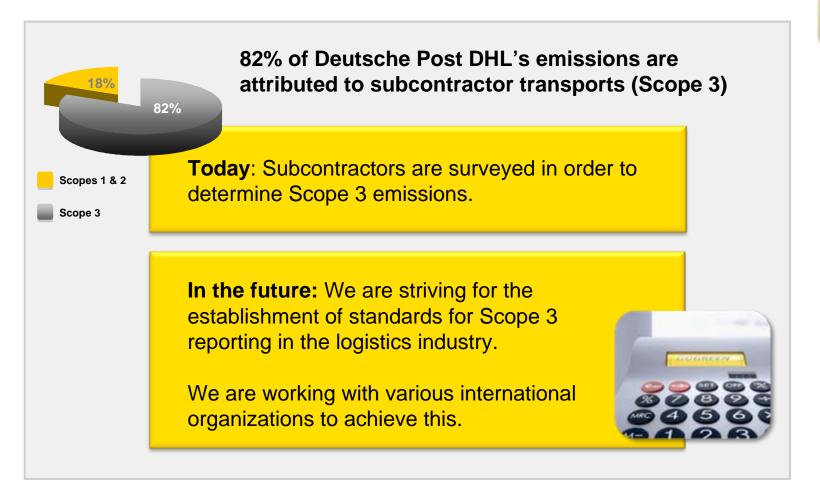


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Source: GoGreen, Deutsche Post DHL

#### Measuring CO<sub>2</sub> Emissions

The biggest challenge is determining the emissions of our subcontractors



Source: GoGreen, Deutsche Post DHL

#### Standardization of Scope 3 Reporting

# Deutsche Post DHL is actively pursuing the standardization of subcontractor emission tracking





#### **Current Situation:**

There is no standard process in place for the capture and calculation of subcontractor emissions.

Each individual logistics company must approach carriers independently and data is often inexact.

#### Goal:

n

Creation of an independent organization responsible for the collection, compilation and publication of this data using standardized processes.

This is a required first step toward "green" subcontractor management.

Source: GoGreen, Deutsche Post DHL

#### Standardization of Scope 3 Reporting

## Deutsche Post DHL is actively engaged in SmartWay / Green Freight Programs around the globe



**SmartWay US** Fleet Smart Canada **Transporte Limpio Mexico SmartWay Australia SmartWay Europe Green Freight China Program Green Freight India Green Freight** 

Source: GoGreen, Deutsche Post DHL

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Japan

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### Example: Fujitsu supply chain optimization in Japan

#### DSC Japan has developed a 'Green Logistics Partnership Promotion Project' with Fujitsu to reduce CO<sub>2</sub> emission in logistics process



- Supply chain optimization (modal shift from road to rail)
- 3R: Reduce, Reuse, Recycle
- Centralized dispatch control system for vehicles in Tokio to reduce the number of required vehicles

- 45% carbon reduction compared to year 2000 baseline
- 2,000 tonnes of carbon emissions reduced in one year
- Improved load efficiency
- Achieved Company Group Environmental Protection Program
- Recognition from Japanese government (Green Logistics category, METI)

Source: DHL Supply Chain

### Example: Blue Dart DHL SmartTruck in Bangalore / India

# The SmartTruck pilot project brings a European solution to a challenging metropolitan area



SmartTruck combines different technologies and information sources to optimize daily business

- Dynamic tour planning
- Consideration of traffic data
- Transition to flexible sorting process
- Customer communication
- Driver navigation support and positioning



Expected benefits:

- Shorter route duration
- More stops per hour
- Fuel savings
- CO<sub>2</sub> savings
- Cost savings
- Enhance service for customers



Source: DHL Solutions & Innovations (DSI)

#### Example: Eco Driving Competition in India

DHL Express India started an Eco Driving Competition in 2010 to reduce fuel costs and improve carbon efficiency in road transport



Eco Driving Competition started mid 2010:

- Driver trainings
- Idea competitions
- Tracking of fuel efficiency
- Regular best practice sharing

- Average fuel savings of 5-10%
- Additional: cost savings and fewer accidents as well as reductions in local emissions and noise levels



Source: DHL Express Asia

# Thanks for your attention!

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