

Freightways

Environmental Statement



Freightways



Background

Freightways is a leading service provider in the Express Package, Business Mail, and Information Management markets.

Freightways recognises that its core business is reliant on transportation to service its customers and is therefore an emissions-intensive organisation. Freightways also recognises that it must play its part in protecting and improving the environment.

Throughout all its operations, Freightways strives to be an environmentally responsible organisation. This Environmental Statement outlines Freightways' commitment to achieving this objective and demonstrates its current practices.

Our Statement of Intent

At Freightways, we recognise that sustainable business practices are fundamental to our future. We strive to minimise the environmental impact of our daily business operations. We actively seek and embrace initiatives that protect and improve the environment.

Guiding Principles

- We recognise that protecting the environment today is essential to creating a sustainable business future.
- Environmental positioning is a key component of Freightways overall positioning objective.
- We actively seek to minimise the environmental impact of all Freightways activities.
- We work in partnership with all stakeholders to promote good environmental practice.
- We comply with relevant environmental legislation.
- Efficiencies driven from our core business model enable our services to be delivered with as low an environmental impact as possible.
- We regularly review our operational activities, systems and training to ensure our business practice is aligned with this environmental statement.

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Environmental Strategies

Strategy for Responsible Growth

To balance the commercial needs of our business with our responsibility to protecting and improving the environment.

Supporting tactics:

- When implementing its positioning, people, performance and profit strategies, Freightways will incorporate tactics that support our Environmental Statement.
- Having completed the initial measurement of its carbon emissions, Freightways will regularly measure its progress towards reducing and minimising emissions associated with the provision of its services.

Strategy for Cleaner Air

To promote cleaner air by minimising carbon emissions.

Supporting tactics:

- Our company vehicle fleet will not be leased for a period longer than four years to ensure that it is renewed regularly with current lower emission technology.
- As part of our transition to lower emission company vehicles, we are currently trialling hybrid vehicles.
- Our independent contractors are required to regularly service and maintain their vehicles to ensure the minimisation of emissions.
- Our independent contractors are encouraged to use later model lower emission vehicles.
- Our hub and spoke network is segmented and reviewed on a continuous basis to ensure the minimisation of kilometres driven and flown.
- Our aviation business actively measures and manages its performance to ensure the minimisation of fuel usage and emissions.



Strategy for Conservation & Waste Minimisation

Wherever practical, we implement actions that recycle, reuse and minimise waste of the products and resources we consume.

Supporting tactics:

- Our range of recyclable courier satchels is currently being extended.
- Freightways' offices actively promote workplace recycling and waste minimisation.
- Freightways' document destruction business is positioned and promoted in the marketplace as 'secure recycling.' Significant tonnages of paper are securely collected, shredded and sold for recycling.
- Freightways' customers are encouraged to receive electronic invoices to minimise the paper wastage of printing and mailing invoices.

Strategy for Education & Awareness

To promote education and awareness of better environmental practice among stakeholders.

Supporting tactics:

- Freightways promotes its environmental policy among staff and ensures individuals understand their role in the achievement of environmental objectives.
- Our suppliers are actively encouraged to demonstrate their environmental practice to ensure it aligns with Freightways' objectives. - We actively promote the benefits of good environmental practice among our customer base.

Strategy for Responsible Partnership

To seek to partner and work with others who can demonstrate a commitment to the environment.

Supporting tactics:

- To make all our business partners aware of Freightways' environmental policy, and the expectations arising from it.
- Where all other things are equal, to choose those partners and contractors who can demonstrate sound environmental policies.

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Examples of Success

Key past initiatives, championed by Freightways' subsidiary, New Zealand Couriers, include the introduction of the 'hub and spoke' freight distribution system, active promotion of the 'independent contractor' business model and management focus on 'run density.'

'Hub and Spoke' freight distribution

All packages were originally delivered via a point-to-point delivery system. In 1982 New Zealand Couriers introduced 'hub and spoke' freight distribution methodology to New Zealand. This system promotes productivity and as such minimisation of emissions by less kilometres being travelled.

Independent Contractor business model

New Zealand Couriers business model from the time of its inception in 1964 has been based on a partnership with independent contractors. Independent contractors own their own vehicles and pay for their own fuel. This means that they are accountable for their own productivity and are directly financially incentivised to minimise kilometres travelled to provide their services and as such minimise emissions.

Run density

The key to increased fleet productivity and thus reduced kilometres travelled/ reduced emissions is to enable the delivery of more packages by better utilising its existing resources. New Zealand Couriers coined the phrase 'run density' to embody this operational objective. The success of its run density strategies has enabled New Zealand Couriers over the last 10 years to grow the volumes of packages delivered by 80% while only growing its fleet size by 6%.