

# **SLOW SHIPPING:**

## **REDUCING CARBON FOOTPRINT AND COSTS AT KPMG**



# REPORT OVERVIEW

01

## RECOMMENDATION ONE

Ship packages using  
FedEx Express Saver  
rather than FedEx Priority  
Overnight

02

## RECOMMENDATION TWO

Host a Welcome Event for  
interns to pick up new hire  
technology bundle and  
employee badge

03

## CARBON AND COST SAVINGS

123,000 lbs of annual  
CO2 emissions saved

\$990,000 annual savings



# BACKGROUND

KPMG LLP is a global network of firms that provide audit, tax, and advisory services with over 4,000 interns each year. KPMG is currently implementing several sustainability initiatives:

- Commitment to achieving net-zero carbon emissions by 2030
- The Intern Innovation Experience, in which students develop an innovative plan to reduce the firm's environmental impact using ESG guidelines





# MOTIVATION

KPMG currently ships all new hire materials including technology bundles through FedEx Priority Overnight shipping.

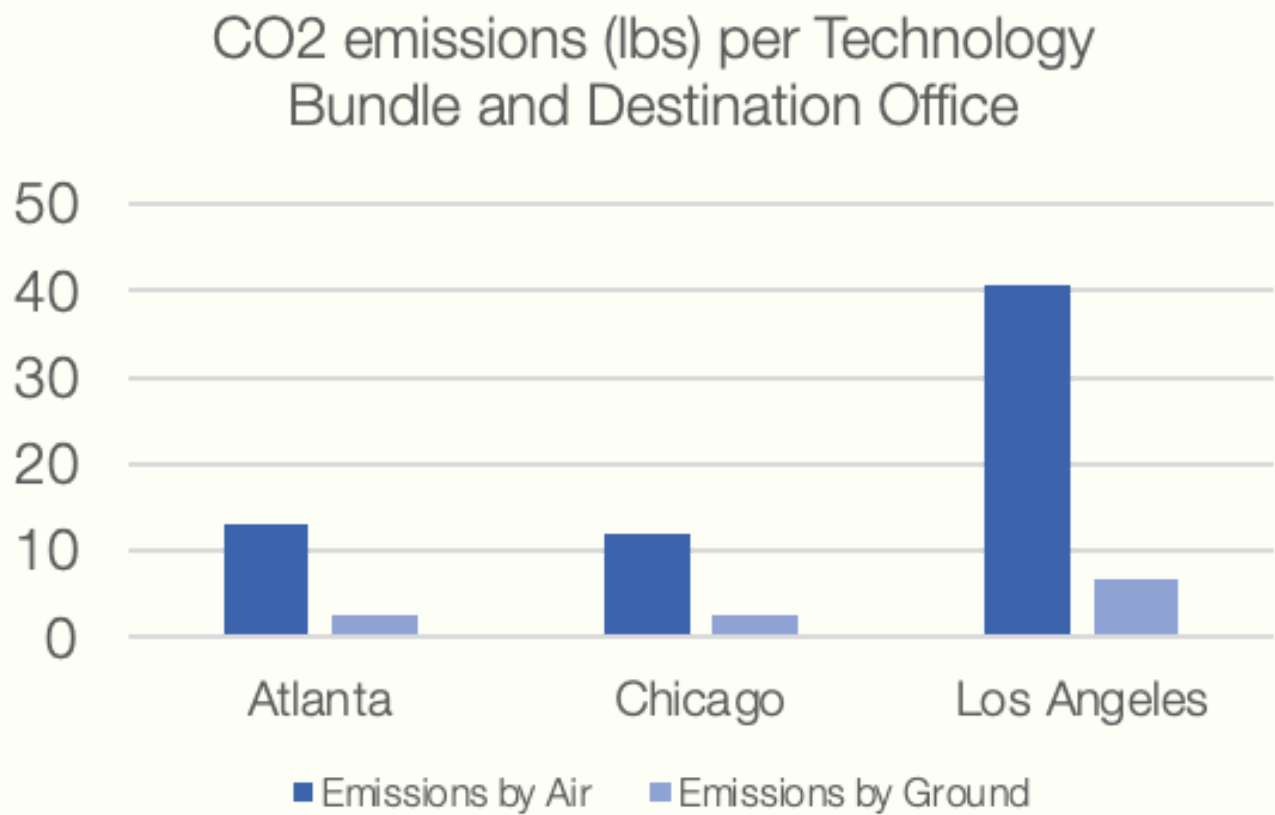
This project reimagines the new hire process along with the corporate dependence on fast shipping to:

- Consolidate packages
- Maximize truckload capacities
- Create fewer dispatches
- Decrease transportation costs





# CARBON REDUCTION



BASED ON DISTANCE FROM DISTRIBUTION CENTER  
IN SOMERSET, NEW JERSEY

Total Reductions per Office based on 469 interns:

Atlanta: 1253.8 lbs

Chicago: 2291.52 lbs

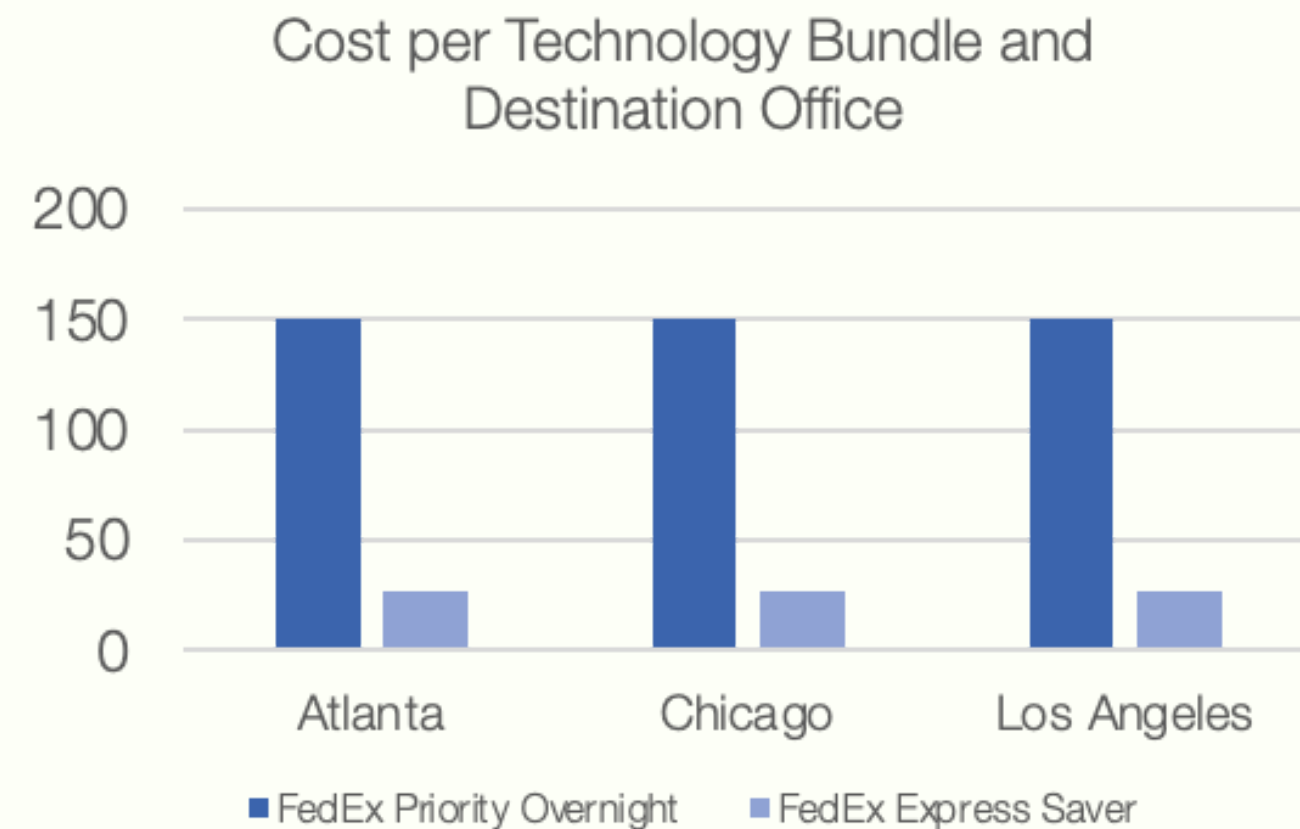
Los Angeles: 3656.66 lbs

Weighted Average = 15.35 lbs per intern

$15.35 * 4,000 \text{ KPMG US Interns} = 61,424.19 \text{ lbs}$

$61,424.19 * 2 = \mathbf{122,848.38 \text{ lbs}}$  (shipping and returns)

Over the course of 8 years, reductions would be  
equivalent to the annual carbon output of 30  
Americans at 14.7 metric tons per year



BASED ON DISTANCE FROM DISTRIBUTION CENTER  
IN SOMERSET, NEW JERSEY

## COST SAVINGS

Total Reductions per Office based on 469 interns:

Atlanta: \$14,973.75

Chicago: \$29,700.00

Los Angeles: \$13,365.00

Weighted Average = \$123.75 per intern

$123.75 * 4,000 \text{ KPMG US Interns} = \$495,000.00$

$495,000.00 * 2 = \text{\$990,000.00}$  (shipping and returns)

NPV Calculation: \$116,470.59

# CO-BENEFITS



Attracting new clients and employees that value environmental sustainability, creating a competitive advantage and increasing profits



Encouraging new hires to work in the office and develop meaningful connections in the firm, ultimately increasing employee retention



# ANTICIPATED OBSTACLES

## Potential Roadblocks

- COVID-19 may pose a challenge in implementing this plan because an employee may not be able to pick up a technology bundle on time and will be unable to complete onboarding tasks
- KPMG has a partnership with FedEx which may allow for heavily discounted shipment rates

## Suggestions

- The firm should provide an alternative option of shipping technology bundles to the employee's home in extenuating circumstances
- While cost savings may not affect a large company significantly, the carbon reductions would contribute to KPMG's goal of decarbonization by 2030



# NEXT STEPS

01

## KEY UPDATE

Met with **Kristin Pederson** -  
Advisory Manager in Supply  
Chain Sustainability, **Katherine  
Blue** - National Advisory  
Leader for ESG & Climate  
Services, and **Darren McGann**  
- Director of Environmental  
Sustainability at KPMG

02

## KEY UPDATE

Plan for Carbon Reduction  
Challenge was proposed  
and is in the process of  
being implemented by the  
Internal ESG team at KPMG  
led by Darren McGann

03

## FUTURE WORK

Exact calculations to be  
refined with the New Hire  
Center and Welcome Event  
feasibility to be assessed  
by recruiters and University  
Talent Acquisition Team



# THANK YOU!

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