



INTRODUCING TCG'S 18TH TCO-TMPE® COMPONENT

Cost of Sustainability

INTRO



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Sustainability has been an important topic for centuries because of how it impacts our world and all the living things that share our planet. Many decisions that are made today will affect generations to come, for better or for worse. That is why many TCG clients (and others) have incorporated sustainability as a corporate strategic imperative (SI) in their organization.

As featured in TCG's 2021 TCO Impacts and Industry Updates eBook distributed earlier this year, TCG has updated its TCO-TMPE® (Total Cost of Ownership for Travel, Meetings, Payment and Expense) methodology to officially include the Cost of Sustainability in an integrated TMPE program bringing our number of TCO cost metric components to 18. Implementing sustainable business practices into a company sponsored program is not an easy challenge. It involves many moving parts, and multiple stakeholders. TCG's TCO-TMPE® methodology examines all elements of T&E (Travel & Expense) holistically to incorporate it into a broad spend under management strategy and approach that delivers innovation, user collaboration, incremental savings, and alignment with company priorities.

WHAT IS TCO -TMPE®?

A Total Cost of Ownership for Travel, Meetings, Payment and Expense (TCO-TMPE®) approach to strategy and management ensures alignment with broader company strategic imperatives. Operationally, it enables a program to grow spend under management; capturing hidden costs, driving new savings and revenues, and addressing travel program maturity stagnation.

TCO-TMPE is comprised for 4 pillars:

1. Management & Delivery
2. Investments
3. Workflow & Processes
4. Controls & Report

Management / Delivery



Investments



Workflow / Processes



Controls / Reporting



WHAT IS SUSTAINABILITY?

Sustainability is generally defined by three pillars.

- 1. Environmental Sustainability**
Relates to practices that impact the environment over the long-term.
- 2. Social Sustainability**
Relates the process of creating successful places that promote wellbeing.
- 3. Economic Sustainability**
Refers to practices that support long-term economic growth that does not negatively impact environmental and social sustainability.

Sustainability within business can involve all or any of these pillars depending on the organization's respective industry and approach. Companies may develop sustainability strategies such as marketing of sustainable products and services, creating positions like Chief Sustainability Officer and Environmental Director, and implementing policies that promote more work-life balance, health & safety protocols, and improved working conditions.

In this document, we will only be addressing Environmental Sustainability.



90%

More than 90 percent of CEOs state that sustainability is important to their company's success

Let's look at
**Environmental
Sustainability**

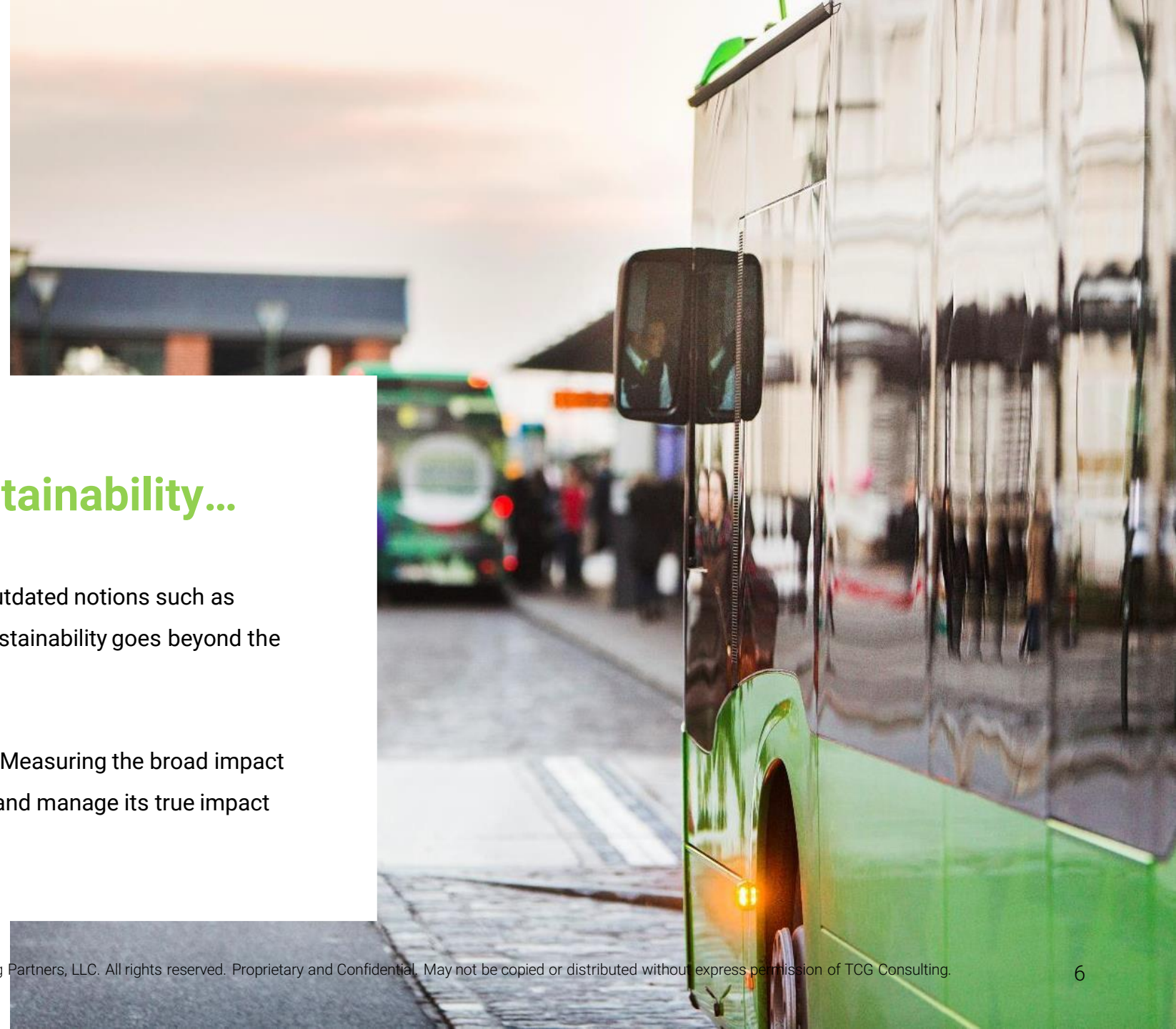


THINGS TO CONSIDER

If you are already considering environmental sustainability...

The next phase of business sustainability calls for a transformation of the market and discarding outdated notions such as treating the environment as a limitless source of materials. However, keep in mind that business sustainability goes beyond the market and is a combination of government, private sectors, consumers and stakeholders.

As you enter the next phase, a good starting part would be to measure your footprint and progress. Measuring the broad impact of corporate travel as part of your organization's wider carbon footprint will enable you to visualize and manage its true impact and define the steps you need to take to reduce negative impact.



Environmental Sustainability

STEPS TO TAKE

Incorporating environmental sustainability into your business.

Step 1

Perform a materiality analysis to understand what is material (or key) to your industry as it relates to sustainability. For some industries, certain sustainable criteria will not be as applicable as others.

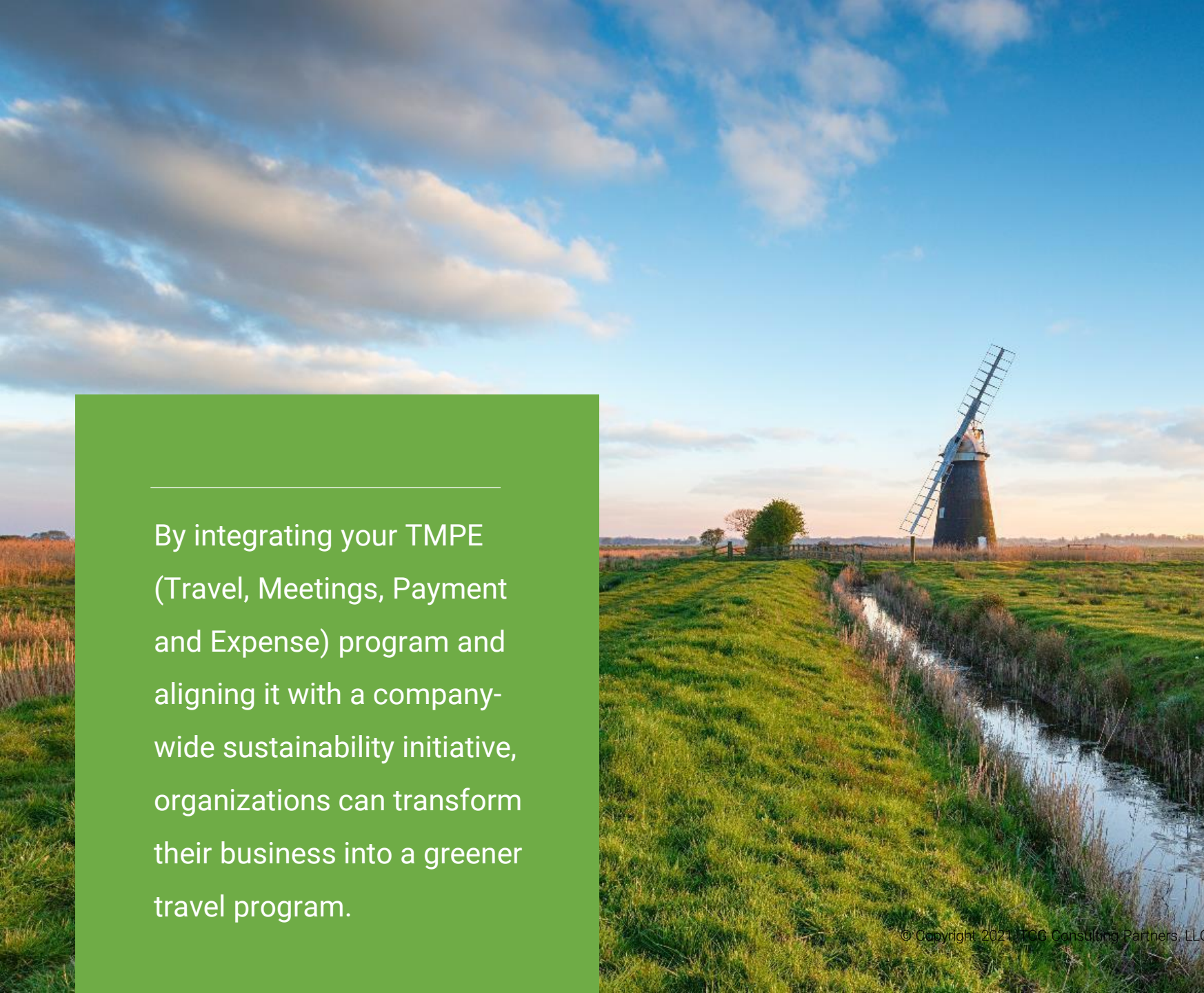
Step 2

Conduct a stakeholder engagement to understand overall stakeholder perceptions about your industry and your company as it relates to key sustainability issues that are material (or key) to your industry.

Step 3

Benchmark your sustainability efforts against your peers. This will give your organization insight on how you compare to the market.

Once you incorporate these steps you can establish a strategy, implementation process, management system and a supporting communications plan to drive the intended goals.



By integrating your TMPE (Travel, Meetings, Payment and Expense) program and aligning it with a company-wide sustainability initiative, organizations can transform their business into a greener travel program.

What Your Peers Are Doing

Here are some examples of what some organizations have incorporated in their environmental sustainability plan:

- ✓ Offsetting Carbon Emissions
- ✓ Utilization of Paperless Payment and Expense Management Tools through enhanced workflows
- ✓ Upfront evaluations of purpose-of-trip (POT) to determine CO2 impact along with other trip approvals
- ✓ Corporate & Virtual Card vs Manual Checks
- ✓ Greener Air Travel including supplier selection and participation
- ✓ Book Eco-friendly Hotels
- ✓ Use of Virtual Meetings
- ✓ Electric Ground Transportation
- ✓ Travel Blending – Combining Trips

Adding sustainability as our 18th component to our TCO-TMPE® programs provides our clients around the world with a sustainable strategy that reduces their operational and environmental impact within their Travel, Meetings, Payment and Expense program.



Stay Ahead. Be Prepared.

As we prepare for the reopening of global travel, this is an opportunity for companies to take a step towards adding sustainability, and to rethink and review their current Travel, Meetings, Payment and Expense programs and corresponding sustainable efforts. This pandemic has not only taught us more about health and safety but also how much we may have taken in-person interactions, the impact on revenue, our associates and our environment for granted.

TCG breathes corporate T&E holistically and actively works to stay ahead of current evolutions, risks, and opportunities. Adding sustainability as a component to our TCO-TMPE® methodology provides our clients around the world with a strategy to enable their sustainability initiatives.



To learn more on how TCG can help you drive, manage and find savings for your sustainability initiatives, contact us at:

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Transforming Corporate Travel,
Meetings, Payment & Expense (TMPE)