

PRESS RELEASE

26 January 2010

Fuel Additive Cuts Stagecoach UK Bus CO2 Emissions by 100,000 Tonnes in Five Years

- Saving equals average annual CO2 emissions from 10,000 households
- Transport group signs new 3-year supply agreement with Energenics
- Envirox™ being rolled out to Stagecoach bus operations in Canada
- Group-wide drive to cut carbon footprint and tackle climate change

Stagecoach Group has reduced its CO2 emissions from its bus fleet in the UK by more than 100,000 tonnes over the past five years through use of a hi-tech fuel additive.

The saving equates to the average CO2 emissions produced by more than 10,000 households in the UK over a 12-month period, according to official Government statistics*.

Stagecoach announced the results as it confirmed it had signed a new three-year supply agreement for the Envirox™ fuel additive, which was developed using sophisticated nanotechnology.

The additive will be supplied by Energenics Holdings Pte Ltd, the new owners of the Envirox™ business, following their acquisition of 100% of the shares in the business last year from Oxonica plc.

Stagecoach Group also announced it has started the roll-out of the fuel additive in its Coach Canada operations, which cover Quebec and Ontario. The first two depots started using Envirox™ in December 2009 and the product will cover the remainder of the network within the next few months.

One of the UK's biggest bus operators, Stagecoach began the roll-out of Envirox™ across its 7,000 bus fleet in December 2004. The company's buses carry nearly 2 million passengers every day and travel around 330 million miles every year. Stagecoach continues to introduce Envirox™ into new UK depots, which have been acquired or upgraded.

Les Warneford, Managing Director of Stagecoach UK Bus, said: "We have pioneered the use of this innovative environmental product in the UK bus industry and we are greatly encouraged by its results.

"Buses and coaches are already a more carbon efficient way of travel than the car. However, all modes of transport have a carbon footprint. The fuel additive is helping improve the sustainability of our operations and protect local air quality, and is part of our commitment to offer people greener, smarter travel options."

Ronen Hazarika, Managing Director of Energenics Holdings Pte Ltd, said: "We are delighted that Stagecoach have decided to extend their commitment to Envirox™ for a further three years.

"We believe it demonstrates their confidence that Envirox™ will continue to deliver significant fuel efficiency and environmental benefits into the future even with the latest fuel and engine technologies. We are looking forward to working with Stagecoach to further develop our technologies in this important environmental area."

Envirox™, which has achieved a 5% reduction in fuel consumption and associated emissions, is based on a well-known oxidation catalyst widely used in catalytic converters. The material has been re-engineered using nanotechnology to allow it to be delivered as a fuel-borne catalyst. This ensures a cleaner burn within the combustion chamber, resulting in improved fuel efficiency and lower emissions.

Nanotechnology is used to design and build materials at the atomic scale. Scientists work in nanometres, each of which is 1/80000th of the diameter of a human hair. No engine modifications are required to use Envirox™. It has no impact on lubricant performance and the optimum dose rates are low.

Stagecoach Group has a wide-ranging strategy to tackle climate change and make its business more sustainable. As well as meeting its regulatory obligations, it includes:

- Investing in more fuel efficient vehicles
- Using alternative, renewable fuels
- Providing training in more efficient driving techniques
- Saving energy at offices and depots
- Conserving and recycling water
- Reducing and recycling waste
- Reducing business travel
- Providing affordable bus and rail travel
- Developing green travel plans and incentives for staff, customers and partner organisations

The company is continuing to improve its environmental performance through its Carbon Management Programme (CMP), which will put in place new processes, key performance indicators and targets.

Stagecoach Group is also working with our major public transport groups in the UK on a major campaign to encourage people to make less use of cars and switch to sustainable bus and coach travel instead. The Greener Journeys campaign is targeting one billion fewer car journeys over the next three years. The target could be achieved by switching one in 25 journeys by car to bus and coach, delivering a huge reduction in carbon emissions.