

# GLS Group Environmental Standard Guideline for the reduction of environmental impacts by GLS Group

This document GLS Group Environmental Standards outlines the environmental measures that underpin the GLS Group environmental approach.

## Objective

GLS Group is committed to providing reliable and high-quality parcel and freight services. To maintain this standard, we prioritise the conservation of resources and the reduction of our emissions. Together with our employees, customers, and suppliers, we aspire to minimise our environmental impact and contribute to a more sustainable future.

# **Climate Protect – reducing carbon emissions**

Given that road transportation services are our core business, the reduction of carbon emissions from transport must be at the centre of our efforts. As part of our Group-wide environmental strategy, Climate Protect, we focus on the gradual conversion of our vehicle fleet to more environmentally friendly zero- or low-emission forms of mobility, such as electric vans, cargo bikes or vehicles powered by biofuels and biogas. Measures for the introduction of zero- or lowemission vehicles are different and specific and may vary, based on local market conditions, from one country to another in order to maximise the individual impact of each Group country. Among other initiatives, we foster the cooperation with zero-emission vehicle providers and our transport partners to get access to latest available technology. Further, we are also supporting fleet transformation by investing in upgrading the present infrastructure of our Depots. This includes installing electric charging stations for vehicles, increasing the power output, and implementing load balancing systems and electricity meters. In addition to these infrastructural measures, we also highlight, by way of example but not limited to, initiatives such as offering incentives to suppliers using electric vehicles - e.g. electric recharging at subsidised rates at GLS Depots - or the contractual obligation for transport partners to convert endothermic vans to zero- or low-emission vehicles.

Furthermore, we are upgrading on existing Hubs and Depots to reduce our CO2 emissions by increasingly using electricity from renewable sources, installing photovoltaic systems, charging infrastructure for electric vehicles, and replacing existing heating systems with options powered by renewable energy sources.

We take a holistic approach to these challenges and seek solutions both within our corporate boundaries and together with our business partners. This is further specified in our environmental strategy, Climate Protect, with the following **ambitions**:

Bv 2030

- change our company car fleet to 100% electric vehicles;
- increase the share of zero- and low-emission vehicles<sup>1</sup> within the transport fleet to 50%.

By 2035

100% of new transport vehicles will be zero- and low-emission vehicles.

<sup>&</sup>lt;sup>1</sup> This means vehicles that during operation create either ower emissions than diesel- and gasoline-powered vehicles or no emissions (e.g. electric or alternative fuel vehicles). Further, this also includes parcel deliveries on foot. As of today, this is only relevant for GLS Spain.



By 2045

• reduce most of GLS's carbon emissions to zero<sup>2</sup>.

#### **Environmental measures**

We pool our resources and expertise to implement measures aimed at continuously reducing our carbon emissions. This includes both emissions from our transport operations as well as indirect sources, such as purchased electricity or heat for our buildings.

We have committed to set near-term and long-term science-based targets in line with the <u>Science Based Targets initiative</u> to ensure our efforts remain aligned with the latest climate science.

#### Our key measures are:

- To increase the use of zero- and low-emission transport vehicles in collaboration with our transport partners. We cooperate with vehicle manufacturers, infrastructure, and energy providers to foster innovation in the field of zero- and low-emission transport and charging infrastructure at GLS.
- The ambition to replace GLS company cars with electric vehicles by 2030. We are adapting our internal policies on electric company cars and encouraging employees to switch to electric company cars by offering incentives such as discounted charging at our Depots.
- To continuously optimise our transport network efficiency by using digital technology to optimise routes and reduce transport distances, thereby reducing CO<sub>2</sub> emissions. This also includes reducing last-mile emissions by implementing parcel lockers, parcel shops and other out-of-home<sup>3</sup> delivery options.
- To increase the use of renewable electricity by installing solar systems on our own buildings where possible and purchasing green electricity from renewable energy sources.
- To continuously develop and improve our environmental management system (ISO 14001).
- To continuously reduce resource consumption at our Depots. Beside monitoring energy consumption, we also annually track water and waste consumption to identify areas of improvement. Within our environmental management system (ISO 14001), we set local targets for ongoing monitoring and reduction.
- To ensure that all employees and transport partners are fully aware of our environmental responsibilities through continuous exchange, instruction and training.
- To monitor and audit our environmental and energy performance, using the information to continuously improve our efforts.
- To cooperate with start-ups focused on reusable packaging and promote these joint initiatives to our customers.

#### Environmental management system (ISO 14001)

At GLS, we monitor our resource consumption to mitigate our environmental impact, with a specific focus on reducing:

<sup>&</sup>lt;sup>2</sup> GLS's ambition to reduce most emissions to zero by 2045 is to reduce CO2 emissions in Scope 1, 2 and 3 by 90% by 2045, offsetting the remaining 10% of emissions through investments in certified climate protection projects. A reduction pathway (including the setting of intermediate carbon reduction targets) is being developed and, in order to base this pathway on 'climate sciences', GLS has committed to set targets in December 2023 in line with the SBTi initiative. GLS expects to complete the development, submission and approval process in line with SBTi during the current financial year.

year.

<sup>3</sup> Delivery solutions that take place outside of the recipient's home, such as parcel lockers, parcel shops and other alternative delivery locations. This method aims to reduce the need for multiple delivery attempts and offers greater flexibility to recipients.



- electricity consumption,
- consumption of energy for heating,
- water usage,
- waste generation in our operations.

This is part of our environmental management system, which is annually certified across all European subsidiaries in accordance with the standard ISO 14001.

## **Transparent reporting**

GLS Group is committed to reducing the environmental impact of its operations and to continuously addressing environmental challenges in the interest of all its stakeholders. Accordingly, we report transparently on our progress to external and internal stakeholders within our <u>ESG Report</u> in accordance with the <u>GRI Standards</u><sup>4</sup>. The carbon emissions reported are based on internationally recognised standards, such as the <u>Greenhouse Gas Protocol</u><sup>5</sup> and <u>DIN EN 16258</u><sup>6</sup>. An overview of GLS' reporting approach is available in the document "<u>Basis of Reporting</u>".

We are responsible for ensuring the high quality of published data and for continually evaluating existing processes to drive progress. For interested stakeholders, our environmental strategy, Climate Protect, is further detailed in our latest <u>ESG Report</u> and on the Climate Protect homepage of <u>GLS Group</u> and the respective country websites.

#### Communication

This Environmental Standard is translated into concrete instructions for all national companies. The Environmental Standard is available on all GLS Group and subsidiary websites.

### **Related documents**

- GLS Group Code of Business Standards (<a href="https://gls-group.eu/GROUP/en/about-us/compliance/">https://gls-group.eu/GROUP/en/about-us/compliance/</a>)
- GLS Group Supplier Code of Conduct (https://gls-group.eu/GROUP/en/about-us/compliance/)
- IDS ESG Policy Statement (https://www.internationaldistributionsservices.com/en/sustainability/governance/policies/)
- GLS Group ESG Reports
   (https://gls-group.eu/GROUP/en/our-responsibility/)
- GLS Group 2023-24 Basis of Reporting (<a href="https://gls-group.com/GROUP/media/downloads/GLS Group Basis of Reporting 2023-24.pdf">https://gls-group.com/GROUP/media/downloads/GLS Group Basis of Reporting 2023-24.pdf</a>)
- ISO 14001 Certification (<a href="https://gls-group.eu/GROUP/en/our-responsibility/certifications/">https://gls-group.eu/GROUP/en/our-responsibility/certifications/</a>)

## **Validity**

This Environmental Standard is binding for all GLS national companies.

**GLS Group Environmental Standard** 

<sup>&</sup>lt;sup>4</sup> GRI: Global Reporting Initiative Standards, guideline for reporting on economic, environmental, and social impacts.

<sup>&</sup>lt;sup>5</sup> GHG-Protocol (Greenhouse Gas Protocol) is an accounting standard for quantifying and managing GHG emission.

<sup>&</sup>lt;sup>6</sup> European standard for calculating and declaring greenhouse gas emissions from road transport.



# **Accountability**

Within the framework of our environmental strategy, ESG Committee and ISO 14001 certified environmental management system, the achievement of our goals and the focus areas are continuously reviewed. The progress is reported in our <u>GLS ESG Report.</u>

#### **Further information**

For further information, please visit <a href="https://gls-group.eu/GROUP/en/our-responsibility/climate-protect/">https://gls-group.eu/GROUP/en/our-responsibility/climate-protect/</a>

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