

# **GLS Group Environmental Standard**

## **Guideline for the reduction of environmental impacts by GLS Group**

This Environmental Standard outlines the environmental measures which 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 are focused on the conversion towards more environmentally friendly zero- and low-emissions transport modes, such as electric vans, cargo bikes or the usage of biofuel and biogas. Measures to introduce zero- and low-emission vehicles are versatile, with specific measures differing from one country to another depending on local market conditions to maximise the individual impact. Among other measures, we are supporting the fleet transformation by investing in infrastructure upgrades at our depots. This includes installing charging infrastructure, enhancing the power supply, implementing load balancing systems and electricity meters, and upgrading fire protection systems. Besides these infrastructure measures, other examples may include, but are not limited to, offering incentives to subcontractors who carry out tours with electric vehicles, such as free charging of electricity at GLS locations, or contractually requiring transport partners to convert vans to electric.

Furthermore, we are upgrading our existing depots and hubs to reduce our CO<sub>2</sub> emissions by increasingly using renewable electricity, installing photovoltaic systems and electric vehicle charging infrastructure, and exchanging current heating systems to renewable options such as heat pumps and wood pellets.

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:

By 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.

By 2045

- Reduce GLS' carbon emissions to zero by 2045<sup>2</sup>.

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<sup>1</sup> This means vehicles that during operation create either significantly lower emissions than diesel- and gasoline-powered vehicles or no emissions (e.g. electric or alternative fuel vehicles).

<sup>2</sup> GLS' zero emissions by 2045 ambition is to reduce 90% of its Scope 1, 2 and 3 CO<sub>2</sub>e emissions by 2045, while offsetting the remaining 10% residual emissions through investment in certified climate protection projects. A pathway

## **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 [Science Based Targets initiative](#) 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.
- To replace GLS company cars to electric vehicles by 2030. We are adapting our internal electric company car policies and encouraging employees to switch to electric company cars by offering incentives such as free charging at 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 locations. 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.

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to deliver this reduction will be developed (including the setting of interim carbon reduction targets) and, to base this pathway on climate science, in December 2023, GLS committed to set targets in line with the [Science Based Targets initiative](#) (SBTi). GLS is expecting to complete the developing, submitting, and approving process in line with the SBTi during the financial year 2024-25.

<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.

### **Environmental management system ([ISO 14001](#))**

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

- electricity consumption,
- consumption of energy for heating,
- water usage and
- 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 [ESG Report](#) in accordance with the [GRI Standards](#)<sup>4</sup>. The carbon emissions reported are based on internationally recognised standards, such as the [Greenhouse Gas Protocol](#)<sup>5</sup> and DIN EN 16258<sup>6</sup>. An overview of GLS' reporting approach is available in the document "[Basis of Reporting](#)".

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 [ESG Report](#) and on the Climate Protect homepage of [GLS Group](#) 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 (<https://gls-group.eu/GROUP/en/about-us/compliance/>)
- 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/thinkresponsible/>)
- GLS Group 2023-24 Basis of Reporting ([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))
- ISO 14001 Certification (<https://gls-group.eu/GROUP/en/our-responsibility/certifications/>)

### **Validity**

This Environmental Standard is binding for all GLS national companies.

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

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

<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 [GLS ESG report](#).

### **Further information**

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

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