

# ENVIRONMENT

84	Environmental matters	93	Reducing air pollution
85	Climate & environmental protection	95	Green products
88	Carbon efficiency & fuel consumption	95	Training & reforestation
		96	Other environmental aspects



# ENVIRONMENT

## Environmental matters ✓

The ongoing boom in e-commerce and the corresponding growth in demand for transportation solutions is an important driver of global trade today. While this trend is good for our business, we also recognize that our activities impact the environment and the climate around the world, particularly in the form of greenhouse gas emissions. To minimize this impact, we have defined targets and implemented measures to help protect the environment and climate. These targets and measures are also embedded in our Code of Conduct, our Supplier Code of Conduct, and our Environmental and Energy Policy. This provides employees across the Group with clear guidelines on how they can contribute to achieving our climate and environmental targets.

### Policies (also GRI management approach)

The core elements of our approach are as follows: Reducing dependence on fossil fuels and promoting the use of alternative fuels/energies in our fleets and buildings. Designing and implementing policies to reduce emissions, improve fuel efficiency and increase our use of alternative fuels as part of our Group-wide GoGreen program. In line with the GHG Protocol, these measures target both our direct and indirect carbon emissions. Deploying innovative pick-up and delivery solutions to reduce the impact of our business on air quality, especially in urban areas. This also reduces energy costs, anticipates possible legislative changes, and helps ensure the stability of our business in the future.

Our carbon emissions and central KPI Carbon Efficiency Index (CEX) are tracked by our internal management information system. Our GoGreen Sponsors Board – headed by the CEO – convenes regularly so that Group divisions can provide updates on their progress in implementing climate/environmental protection measures and on meeting their targets. Quarterly business review meetings are used to discuss not only operational trends, but also changes in our environmental KPIs. Any deviations from planned targets are discussed and appropriate solutions are identified and resolved. Topics that are particularly important to our environmental targets are also regularly discussed in Board of Management meetings.

### Measures & KPIs

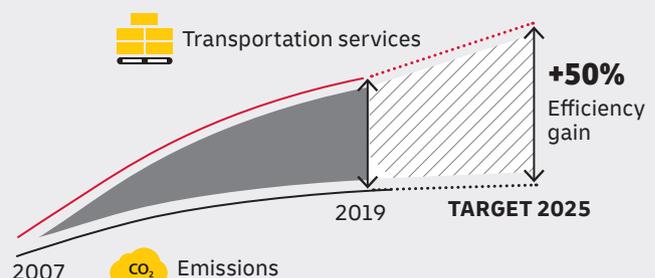
The Carbon Efficiency Index (CEX) – which has been defined as a management indicator under GAS 20 – is calculated on the basis of specific emission intensity figures for each business unit. Greenhouse gas emissions are calculated using internationally recognized standards such as the Greenhouse Gas Protocol (GHG Protocol). When calculating the CEX, we also include emissions generated by our transportation subcontractors (GHG Protocol Scope 3).

### Results & objectives

Expanding our use of electromobility remains our core focus area, and also extends to our road fleet outside Germany. We also continued modernizing our air fleet in the Express division and further explored the use of sustainable synthetic fuels in our fleets.

In the year under review, we improved efficiency by a further two percentage points to 35% over the 2007 baseline. This was largely due to efficiency gains both in ocean and road freight within our Global Forwarding, Freight division, and in road transportation in the Supply Chain division. The use of green electricity at sites in our Express and Supply Chain divisions also contributed to this improvement. Our target for 2025 is to improve the energy efficiency of our transports by 50% compared to our 2007 baseline.

### Efficiency principle and target



Information on additional activities beyond the mandatory disclosures required by the German Commercial Code (HGB) can be found in the rest of this chapter. →

## Climate & environmental protection ✓

The transportation sector is responsible for roughly 7.5 gigatonnes of carbon emissions – about 14% of greenhouse gas emissions worldwide. 0.4% of this figure can be attributed to our business operations, which is why we have been designing and implementing climate and environmental protection measures for more than 15 years and have helped lead the way towards a green, sustainable future for logistics. Together with our stakeholders, we identified two main action areas for the Group in the climate and environment area: energy efficiency and climate change, and air pollution. The Group target that has been derived from this is an ambitious one: to reduce all logistics-related emissions to net zero by the year 2050. This is our contribution to helping the world community reach the two-degree goal established at the COP 21 climate conference.

We have set interim targets for 2025 for both of these action areas on our way to achieving zero-emission logistics by 2050. Additional focus areas include certifying our employees as GoGreen environment and climate experts, and reforestation.

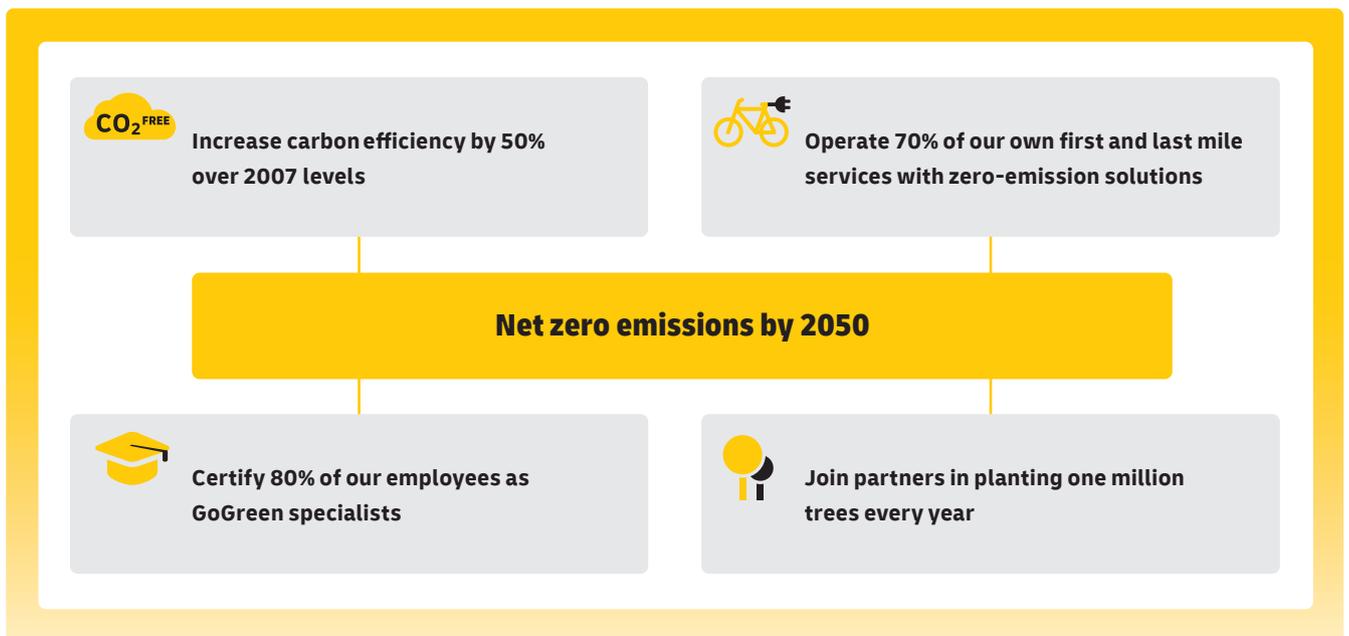
We also help customers and transportation partners reduce their own environmental impact with eco-friendly products – our GoGreen services. [➔ Page 95](#)

As a pioneer in sustainable logistics, we are involved in a number of industry initiatives working to establish measurement standards for greenhouse gas emissions and promote the development of sustainable alternative fuels such as biofuels and e-fuels. [➔ Page 91](#)

Our programs and partnerships support the United Nation’s Sustainable Development Goals (SDGs).



### Mission 2050 and interim targets for 2025



## Realizing environmental targets across the Group

Our Code of Conduct establishes climate and environmental protection as a core action area, while more detailed measures are specified in our Environmental and Energy Policy. Above and beyond this, it goes without saying that the Group always acts in accordance with applicable environmental laws and regulations. Additional corporate policies supplement our Environmental and Energy Policy, including our:

- **Investment Policy:** This requires new acquisitions to be demonstrably more carbon efficient than existing assets. Every new investment proposal must include calculations demonstrating this.
- **Green Electricity Policy:** The primary source of electricity throughout the Group is green power, i.e., electricity from renewable sources.

Exceptions can be made if this is not available in the markets in sufficient quality or quantities, or if its application is not

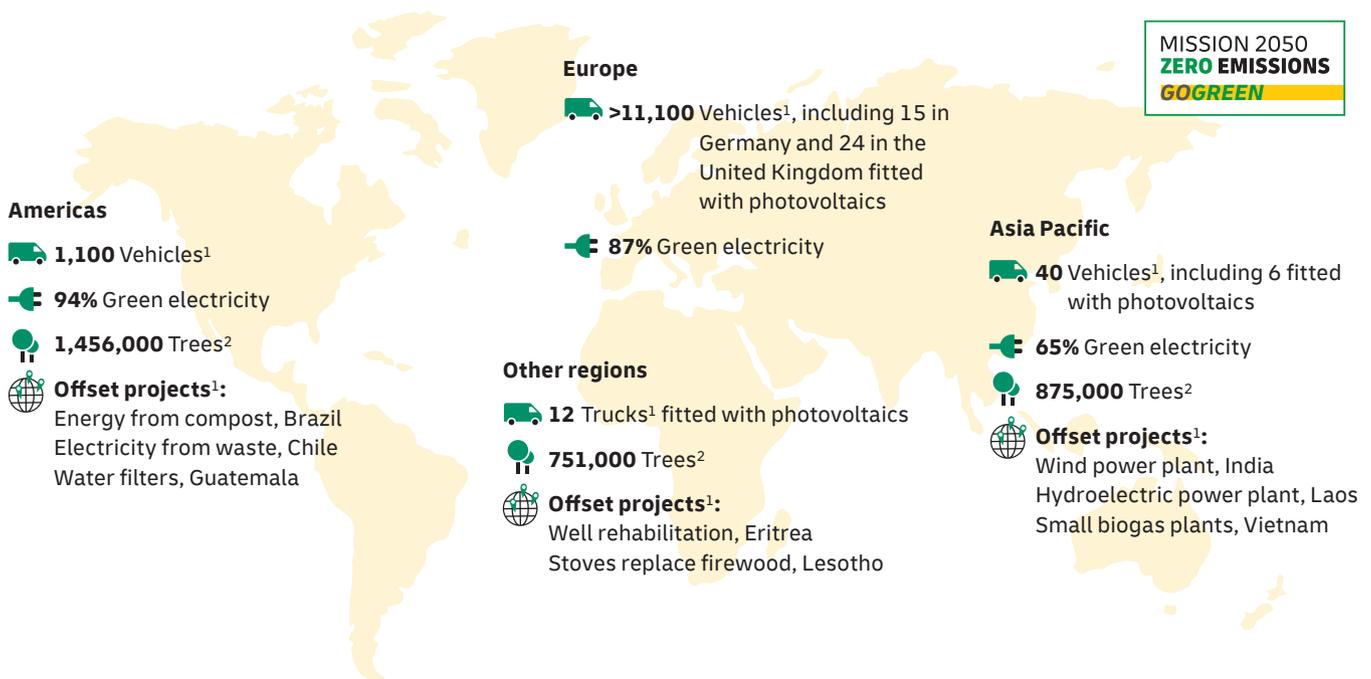
commercially viable. Our fleets also use liquid biofuels that, as specified in our Biofuel Policy, do not negatively impact local food production in the countries where they are produced.

### Management system provides framework for action

An environmental management system based on ISO standards 14001 (Environment) and 50001 (Energy) creates a uniform framework for thinking and acting “green” at our sites, and helps us implement our Group-wide policies. Decisions on obtaining external certification of our sites are based on business relevance, consumption figures, the existence of standardized processes, and strategic importance. Where we run a facility on behalf of a customer, the latter decides whether or not it should undergo certification.

We operate a total of some 12,600 sites around the world. In the year under review, 7,338 of them – or 58% (2018: 68%) – were certified according to at least one of ISO standards 14001 and 50001. The decrease from the previous year was mainly due to the reorientation of, and associated organizational changes in, our post and parcel business in the year under review. [➔ Page 24](#)

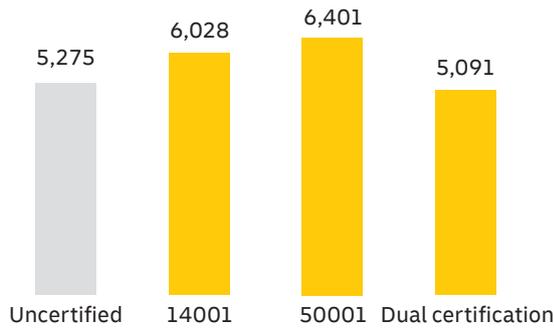
## Environmental and climate protection measures in 2019



1) Not included in the review. 2) Trees planted since 2017.

**ISO-certified sites in 2019**

Total: 12,613



**Targets and progress in the year under review**

Our Mission 2050 includes interim targets for 2025. In the year under review, the following progress was made towards the latter:

**CO<sub>2</sub> FREE Energy efficiency & climate protection**

● **Improve carbon efficiency (CEX) by 50% compared to the 2007 baseline by 2025**

● **Target for 2019:** Improve CEX by at least one index point  
 Status: Achieved Page 90

● **Target for 2020:** Improve CEX by at least one index point

**Air pollution**

● **Operate 70% of our first and last mile services with zero-emission solutions by 2025**

● **Target for 2019:** Continued expansion of electromobility  
 Status: Achieved Page 93

● **Target for 2020:** Continue to expand our use of zero-emission solutions

We also continued to make progress towards our other interim targets.

- We have submitted our economic target – to have more than 50% of our sales incorporate green solutions by 2025 – for review, particularly in light of current developments at EU level, such as the push to establish a taxonomy of green products. Based on the results of this review, we will decide on our next steps over the course of 2020. The method used so far to calculate the economic target is described in greater detail in last year’s report. Corporate Responsibility Report 2018, page 99
- To meet our people target – we aim to certify 80% of our employees as GoGreen specialists – we rolled out the GoGreen curriculum across the Group in the year under review. The first foundation module training courses have already been held and we aim to make them available to employees in all the major languages by the end of 2020.
- As part of our forest conservation efforts, we will join partner organizations in planting one million trees per year through 2025. More than three million trees have already been planted since 2017.



## Carbon efficiency & fuel consumption ✓

As a global logistics company, we operate our own fleets and buildings around the world, and rely on additional capacity provided by transportation subcontractors. 86% of greenhouse gas emissions produced by the Group and its transportation partners are attributable to air and road transportation. However, energy consumption in our buildings and facilities also contributes to greenhouse gas emissions. We are addressing these impacts with a comprehensive efficiency management system and innovative technologies, and by continually investing in modernizing our fleets and buildings. New acquisitions of transportation vehicles or building technologies must meet our GoGreen minimum standards for heavy transports and buildings. Proof of compliance with these standards must be submitted with applications to the Investment Committee and reviewed in accordance with the Investment Policy.

### BURN LESS AND BURN CLEAN

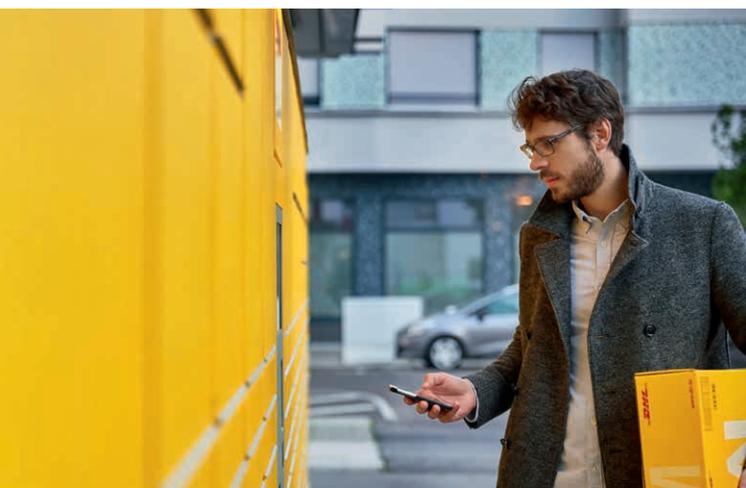
Our dual strategy of reducing energy/fuel consumption (“burn less”) while increasing the use of alternative drive systems and sustainable fuels (“burn clean”) helps reduce our dependence on fossil fuels and increase our carbon efficiency.

We believe that sustainable synthetic fuels will play a key role in the years ahead. Equally, we are well positioned to react to future regulatory changes and manage our cost structure, considerations which will contribute to the stability of our business over the long term.

### Sustainable subcontractor management

Our environmental targets are embedded in our Supplier Code of Conduct, which is a mandatory component of all Group contracts with subcontractors. We work closely with them on climate-friendly transportation solutions. Subcontractor management plays a particularly large role in our Global Forwarding, Freight division, where we do not operate any large fleets of our own, but primarily broker load capacity on behalf of our customers, and partner with airlines, shipping companies, freight carriers and rail companies. Here are two examples:

- We use “carrier scorecards” to integrate air and ocean freight subcontractors with our environmental efficiency measures and systematically evaluate their environmental performance. At the customer’s request, we give preference to providers with stronger environmental performance when selecting a carrier.
- In Sweden, we offer customers the option of supporting climate-friendly transportation for a small surcharge. Each time this option is requested, we use sustainable technologies or fuels to move goods a corresponding distance (tonne-kilometers) within our Swedish transportation network. Using insetting in this way rather than an offsetting solution allows us to reduce emissions in our own business. In this context, trucks equipped with climate-friendly technologies and working on behalf of DPDHL Group have covered a distance equivalent to circling the globe 800 times.



### USE PACKSTATIONS TO REDUCE DELIVERY TOURS AND EMISSIONS

**Our efficiency principle**

The ongoing heavy demand for transportation solutions, due in large part to the boom in e-commerce, is also reflected in our carbon emissions and fuel consumption. By improving efficiency, we can decouple the link between increased logistics services volumes and increased greenhouse gas emissions. The baseline and reference value for carbon efficiency calculations is the ratio of greenhouse gas emissions to logistics services in 2007, with 2007 being considered to have a zero efficiency.

The bulk of greenhouse gas emissions are calculated automatically via our financial systems and the results serve as the basis for our internal and external reporting. Calculations are based on guidelines provided by the Greenhouse Gas Protocol, the Global Logistics Emissions Council, the EN 16258 standard and the requirements outlined by the European Emissions Trading System (ETS). In line with this, we do not include compensation via CO<sub>2</sub> emissions certificates in our calculations. Subcontractor emissions are included using calculation models derived from the same standards. Efficiency gains are measured using the CEX, which is based on specific emission intensity figures for each business unit.

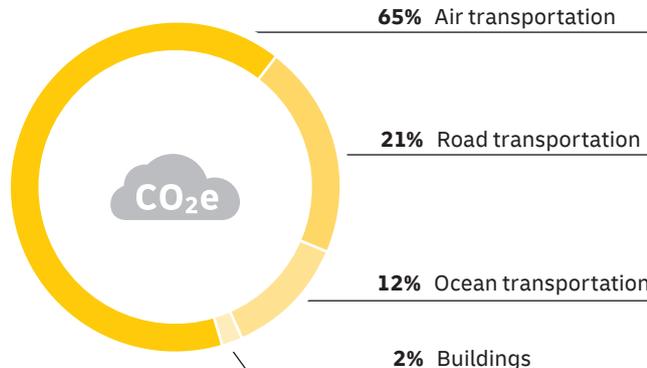
**Emissions & fuel consumption**

Carbon emissions declined slightly in the year under review. A total of 28.95 million tonnes CO<sub>2</sub>e could be attributed to our logistics services – down 2% from the adjusted prior-year figure of 29.46 million tonnes CO<sub>2</sub>e. At 6.59 million tonnes CO<sub>2</sub>e, direct emissions from our own operations (Scopes 1 and 2) amounted to 23% of total CO<sub>2</sub>e. Total carbon emissions included 0.1 million tonnes CO<sub>2</sub>e attributable to our employees’ business travel. [➔ Page 106](#)

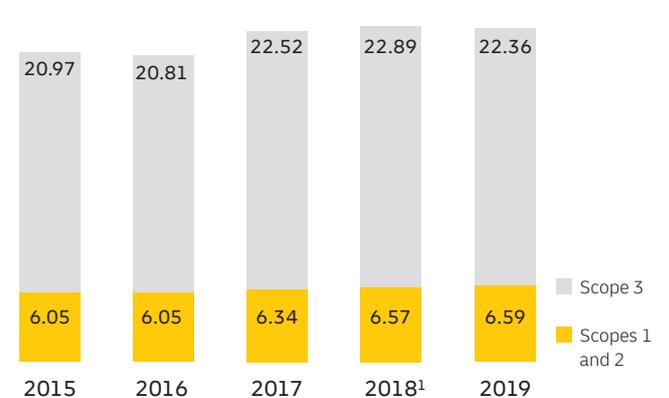
- **Scope 1 emissions** increased by 1% to 6.38 million tonnes CO<sub>2</sub>e (2018: 6.30 million tonnes CO<sub>2</sub>e). This was largely due to growth in our Express division’s air freight business.
- **Scope 2 emissions** decreased by 22% to 0.21 million tonnes CO<sub>2</sub>e (2018: 0.27 million tonnes CO<sub>2</sub>e). This was due in part to the increased use of renewable energy, especially in our Express, Global Forwarding, Freight and Supply Chain divisions.
- **Scope 3 emissions** decreased by 2% to 22.36 million tonnes CO<sub>2</sub>e (2018, adjusted: 22.89 million tonnes CO<sub>2</sub>e). This is a reflection of lower air freight volumes and improved ocean freight efficiency in our Global Forwarding, Freight division – and was sufficient to offset the increase in emissions at Express.

**(Total) carbon emissions by source in 2019**

Total: 28.95 million tonnes CO<sub>2</sub>e



**CO<sub>2</sub>e emissions (million tonnes)**



1) Adjusted.

Emission intensity (the ratio of Scope 1 and 2 emissions to Group revenue) was 103g CO<sub>2</sub>e per € revenue (2018: 107g CO<sub>2</sub>e per € revenue). Total emission intensity (Scopes 1–3) was 455g per € revenue (2018: 479g per € revenue).

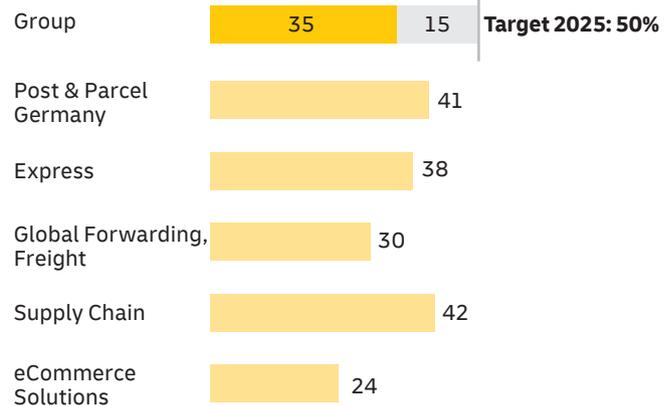
### Continuous improvements in efficiency

We improved efficiency by 2 percentage points in the year under review to a total of 35% above the 2007 baseline. This was achieved mainly through efficiency improvements in our Global Forwarding, Freight and Supply Chain divisions.

- **Post & Parcel Germany:** The CEX was up 2 index points over the prior-year figure, largely due to the decline in the percentage of import and export volumes in the mail business.
- **Express:** Efficiency remained at the prior-year level due to increased use of renewable energy at our sites.
- **Global Forwarding, Freight:** Efficiency gains in both our ocean freight and road freight businesses combined to push the CEX 2 index points higher than in the prior year.
- **Supply Chain:** The CEX improved by 3 index points thanks to greater use of renewable energy in our warehouses and improved efficiency in distribution from warehouse to customer.
- **eCommerce Solutions:** At 24 index points, the CEX remained at the prior-year level.

By the end of 2020, we want to improve our CEX score by at least one additional index point, to 36%, by year's end. By 2025, our goal is to achieve an efficiency improvement of 50% compared to the 2007 baseline.

### Carbon Efficiency Index (CEX) in 2019



### Efficiency gains in fleets & buildings

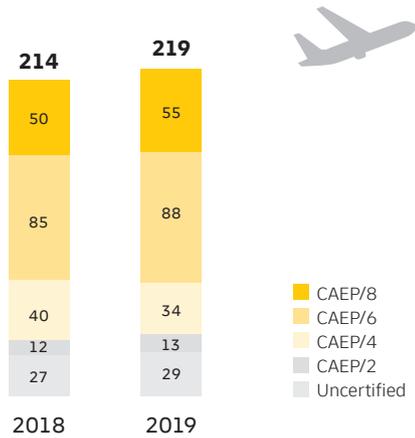
In addition to continually modernizing our fleets and increasing our use of renewable energy, we actively promote e-mobility and are engaged in a variety of initiatives to promote the development and use of alternative, sustainable fuels. We are also involved in local noise abatement initiatives. In the year under review, we published a position paper on the use of sustainable synthetic fuels. The paper aims to stimulate public debate and highlight the fact that this new generation of fuels is currently the only alternative for achieving real reductions in greenhouse gas emissions in air and ocean freight in particular. During the year under review, road transportation fuel consumption fell to 4,442 million kWh (2018: 4,592 million kWh) as a result of efficiency measures. [➔ Page 105](#)

#### Air fleet upgrade continued

We continued upgrading our fleet of 260 dedicated cargo aircraft, which includes smaller feeder aircraft, in the year under review. In 2019, four of the 14 aircraft ordered in 2018 to replace older planes were put into service. These will generate roughly 18% less carbon emissions and contribute to improved fuel and emissions efficiency. The next six aircraft are scheduled to be operational in 2020.

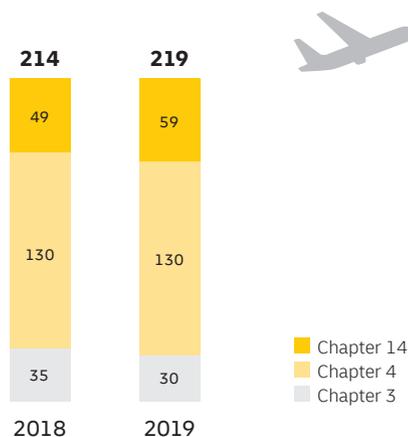
We recorded a further increase in Express transportation volumes in the reporting year, resulting in higher fuel consumption and carbon emissions. We were unable to offset this increase despite the positive effects of improved route and network optimization. At 19,032 million kWh, fuel consumption in 2019 was 2% higher than the previous year (2018: 18,598 million kWh). Air transportation operations generated 4.94 million tonnes CO<sub>2</sub>e (2018: 4.82 million tonnes CO<sub>2</sub>e), accounting for 75% of our Scope 1 and Scope 2 CO<sub>2</sub>e emissions. [Page 105](#)

**Aircraft<sup>1</sup> by nitrous oxide (NO<sub>x</sub>) emissions standards<sup>2, 3</sup>**



1) Dedicated aircraft (jet aircraft) in the Express division. 2) NO<sub>x</sub> emissions. 3) Not included in the review.

**Aircraft<sup>1</sup> by noise standard<sup>2</sup>**



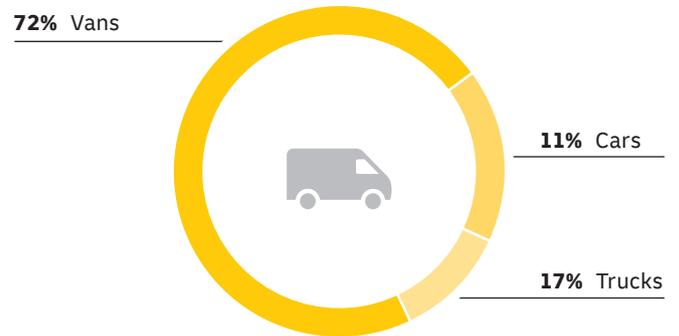
1) Dedicated aircraft (jet aircraft) in the Express division. 2) Not included in the review.

**Modern, efficient road fleet** (not included in the review)

Our road transportation operations rely on our own fleet of around 103,600 vehicles worldwide, including some 12,900 with alternative drive systems. We implement any one of many different efficiency measures – or a combination of several of them – to achieve efficiency gains, based on factors such as the requirements profile, vehicle type and route.

**Road fleet by vehicle category<sup>1</sup>**

Total: 103,573 vehicles



1) Not included in the review.

Technological innovations in the field of aerodynamics, light-weight vehicle design, speed limiting systems and low rolling resistance tires are helping us reduce fuel consumption in our conventional fuel vehicles. We also rely increasingly on alternative drive systems and fuels. The primary focus here is on electromobility for short-distance transportation. For long-haul transportation, we are testing the use of sustainably produced biofuels and LPG drive systems. For heavy transports, i.e., trucks with a gross vehicle weight of over 7.5 tonnes, we have defined minimum standards across the Group.

We also achieve efficiency gains through intelligent network and route planning, and the use of alternative modes of transportation. Increased digitalization means that recording data via sensors and apps is becoming easier and easier, further improving our ability to connect logistics chains across continents and optimize processes.

**Green electricity reduces share of emissions from buildings**

Just 2% of our overall CO<sub>2</sub>e emissions can be attributed to the approx. 12,600 sites we operate worldwide. This is primarily due to the increased use of new building technologies and the high percentage of green electricity used. We also train our employees how to use the technologies so that they can play an active role in helping us conserve resources.

Green electricity already meets 83% of our total electricity demands across the Group and meets our requirements almost entirely in 27 countries. We will continue to increase our use of green electricity where this is commercially viable and it is available in sufficient quality/quantities in the markets concerned.

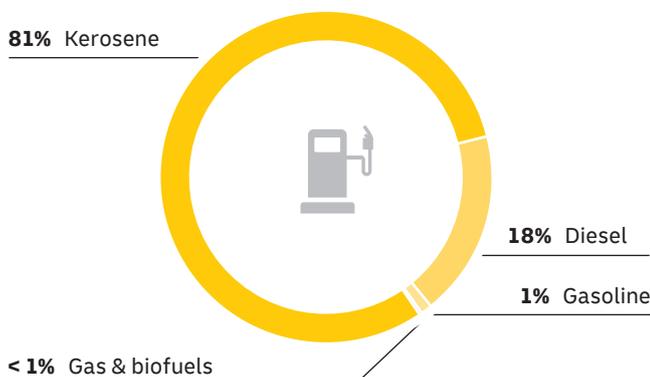
Energy consumption in our buildings and facilities was 3,139 million kWh in the year under review (2018: 3,194 million kWh) – around 2% down on the prior-year level. We were once again able to avoid 0.54 million tonnes CO<sub>2</sub>e emissions (2018: 0.53 million tonnes CO<sub>2</sub>e), primarily through the use of green electricity. ➔ Page 105

Examples (not included in the review):

- In Panama, photovoltaics provide 82% of the energy required at one of our sites. In 2019, this led to 65 tonnes CO<sub>2</sub>e emissions being saved.
- Tampere, Finland is the site of our first zero-emission facility, which combines state-of-the-art photovoltaics with geothermal systems for heating and cooling.
- Our logistics center at Cologne-Bonn Airport in Germany uses an ice energy storage system with a holding capacity of over 1.3 million liters for heating and cooling. Used in combination with a heat pump and photovoltaics, this system is also entirely emissions free.

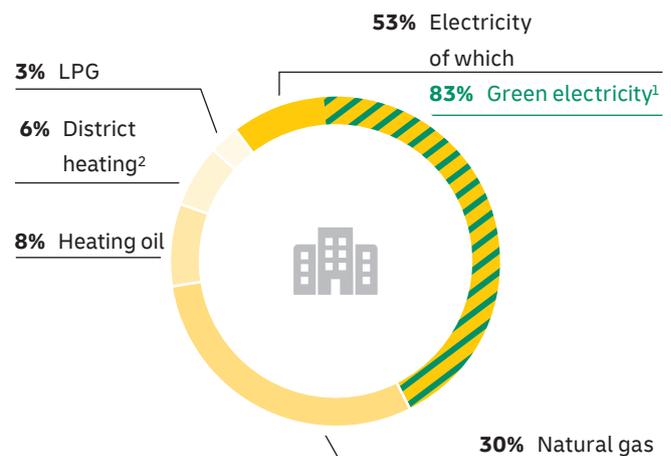
**Fleet: Group energy consumption in 2019**

Total: 23,519 million kWh



**Buildings: Group energy consumption in 2019**

Total: 3,139 million kWh



1.) Countries in which nearly all electricity needs are met: Argentina, Belgium, Brazil, Canada, Columbia, Finland, France, Germany, Hong Kong, India, Indonesia, Ireland, Italy, Mexico, Netherlands, Norway, Philippines, Puerto Rico, Singapore, South Africa, Sweden, Taiwan, Thailand, Turkey, UK, USA, Vietnam. 2) Incl. district cooling.



## Reducing air pollution ✓

Burning fossil fuels results in local air pollutants such as mono-nitrogen oxides (NO<sub>x</sub>), sulfur dioxide (SO<sub>2</sub>) and particulate matter (PM<sub>10</sub>), which negatively impact air quality, especially in urban areas. Our business model bears a share of this responsibility, which is why we want to minimize air pollution with zero-emission solutions such as pick-up and delivery by foot, bicycle and electric vehicle.

By 2025, we want to reduce local air pollution emissions by operating 70% of our own first and last mile services with zero-emission solutions. This applies exclusively to our own services (GHG Protocol Scopes 1 and 2). We continuously optimize our pick-up and delivery routes, with increased focus on delivery by foot, bicycle, or full or partial e-mobility. In the year under review, the percentage of such pick-up and delivery solutions was already at 33%. As planned, we rolled out e-mobility solutions outside Germany as well. In 2020, we will continue to expand our use of zero-emission solutions for first and last mile services.

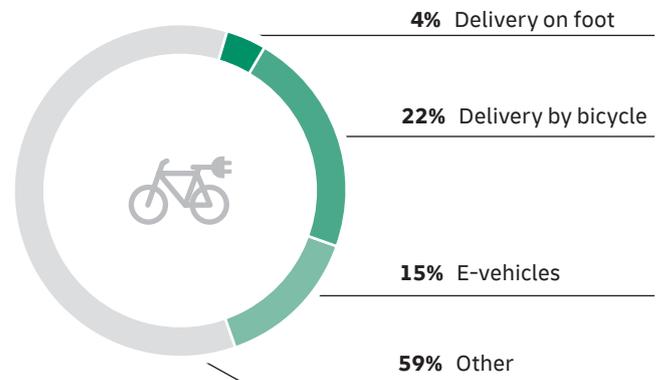
### Zero-emission delivery

In our Post & Parcel Germany division, we already use some 27,000 bicycles, including 13,000 e-bikes and 235 cargo bikes, for pick-up and delivery operations. In the year under review, we added 1,500 new e-bikes to our bicycle fleet.

As part of our City Hub solution, Express division couriers use cargo bikes to pick up and load pre-sorted delivery containers at central points. The concept has already been successfully deployed in numerous European cities. By replacing a conventional delivery van, a single Cubicycle electric cargo bike can save up to 8 tonnes CO<sub>2</sub>e per year. The year under review

### Zero-emission delivery in Germany in 2019<sup>1</sup>

No. delivery districts: 68,091



1) Post & Parcel Germany in 2019.



### StreetScooter in figures<sup>1</sup>

- 10,802 StreetScooters
- 14,460 charging stations
- 120 million kilometers driven
- Carbon savings of 39,600 tonnes

1) Not included in the review.

also saw Cubicycles introduced to Dublin, Rotterdam, Groening, Frankfurt, Copenhagen, Turku and Vienna, where they help reduce noise pollution and take some of the pressure off the parking problem in cities.

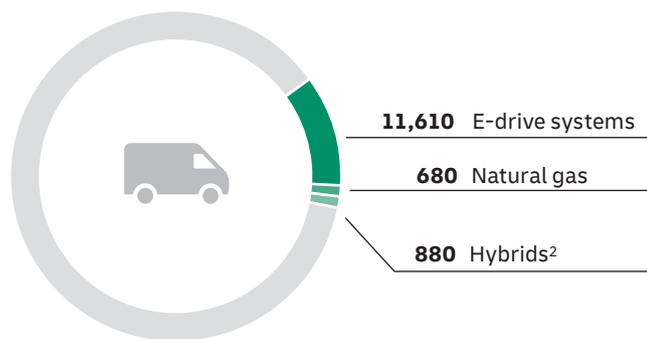
## ONE CARGO BIKE CAN SAVE UP TO 8 TONNES OF CARBON EMISSIONS<sup>1</sup> PER YEAR

### Increased proportion of alternative drive systems (not included in the review)

We already use 13,532 vehicles with alternative drive systems within the Group, including 11,610 electric vehicles. As there is still no single solution for significantly reducing fossil fuel consumption or avoiding emissions in logistics, we are testing and deploying a number of promising alternative technologies and measures in our fleets and at our sites, including electric vehicles up to and including plug-in hybrids for short trips and fuel cell vehicles and vehicles powered by sustainable liquid fuels such as biodiesel over longer distances.

### Alternative drive systems in 2019<sup>1</sup>

Total: 103,573 Vehicles



1) Not included in the review. 2) Including 71 dual-fuel drive systems.

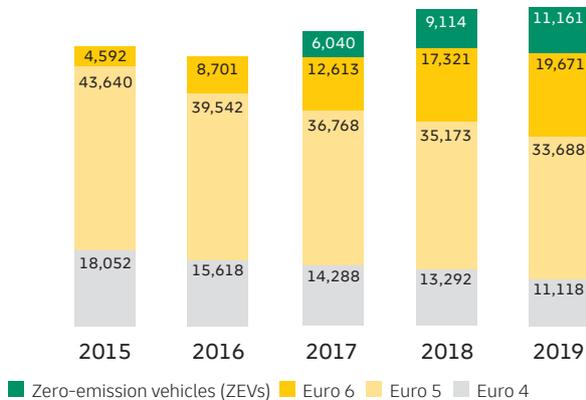
Examples (not included in the review):

- **Electric trucks:** We are already piloting 6 electric trucks (up to 7.5 t) in Germany and 3 heavy-duty electric trucks (12 t) in the Netherlands.
- **Photovoltaics powering onboard electronics:** We are fitting vehicles and trailers with two-millimeter thick solar mats developed by TRAILAR, a start-up founded by Group employees. Over 500 trucks have already been fitted with the mats, which can save up to 4.5 tonnes of carbon emissions per vehicle per year and reduce fuel consumption by up to 5%. In 2020, TRAILAR will launch on the international market.

We continuously upgrade our conventional vehicles in accordance with the latest emissions standards. By optimizing pick-up and delivery routes, we also help minimize the impact on air quality in urban areas. 80% of vehicles in our conventional road fleet were compliant with Euro 5 or Euro 6 standards, or were entirely emissions-free (ZEVs). [➔ Page 108](#)

### Vehicles by emission class in 2019<sup>1</sup>

Total: 75,638 Vehicles<sup>2</sup>



1) Not included in the review. 2) Comprises the largest vehicle fleets in areas covered by the Euro emissions classifications.

## Green products

We offer our customers a range of green products that help them understand their environmental footprint and give them the option of minimizing that impact by using alternative modes of transportation or offsetting emissions. We also offer comprehensive consulting services to help customers optimize efficiency across their supply chains.

### Our product portfolio

Our mix of standardized and customized products helps customers achieve their own climate targets and make their supply chains greener.

- **Carbon Reports:** As a service to our customers, we measure the greenhouse gas emissions resulting from the transportation and logistics services we provide to them, and make this information available in various formats.
- **Climate neutral products:** Customers can offset their transportation and logistics-related greenhouse gas emissions with Gold Standard certified climate projects. One example of this is our own climate protection project in Lesotho. In the year under review, we transported some two billion climate neutral shipments, which we estimate would have required an offset of around 270,000 tonnes CO<sub>2</sub>e (2018: 250,000 tonnes CO<sub>2</sub>e). The review was concluded after the publication date of this report. Our own climate project in Lesotho generated some 30,000 CO<sub>2</sub> emissions certificates in 2019. The project has already saved around 150,000 tonnes CO<sub>2</sub>e since its launch in 2012.

## THE LESOTHO PROJECT OFFSETS 150,000 t OF CARBON EMISSIONS

- **Green optimization:** Our experts analyze our customers' entire supply chains and generate tailored solutions for them – from designs for multimodal logistics networks to warehouse logistics solutions. Along with the environmental benefits, these analyses also help identify cost-savings potential.

- **Enabling the circular economy:** This product is continuing to gain in importance as part of our green optimization process. Our DHL EnviroSolutions product portfolio helps customers develop solutions for reverse logistics and waste management logistics, and to meet extended producer responsibility requirements. In one project we are working on reducing single-use plastic in the supply chain, and implementing sustainable packaging solutions. In Brazil, our Express division already offers its major customers reusable and recyclable solutions for pallet transportation consisting of durable nets with hooks to hold goods on the pallet. This solution is now also being tested by the Supply Chain division at a warehouse belonging to one of its major customers in the Czech Republic.

## Training & reforestation

We believe that employee engagement can make a key contribution to realizing our environmental targets. We plan to certify 80% of our employees as GoGreen specialists by 2025 so as to actively involve staff in our environmental and climate protection activities. We are also engaged in forest conservation, and will be planting one million trees a year through 2025 together with recognized partner organizations.

### Becoming a GoGreen specialist

Our GoGreen Certified training for employees is designed to not only enhance their basic theoretical understanding of environmental protection, but also empower them to support the Group's environmental targets in their daily work. The curriculum consists of a foundation module plus additional optional modules focused on the individual divisions and their respective requirements. By year-end, around 20,000 employees had successfully completed the foundation module. In 2020, the modules will be made available to Group employees in the most frequently used languages.

### Over three million trees already planted

Forests support and protect both people and the environment in diverse ways. Capturing CO<sub>2</sub> from the air to mitigate greenhouse warming is one of the many ecosystem services they provide. The majority of the trees used in our

reforestation efforts will be planted by our partner organizations – recognized charities, NGOs and national forestry authorities around the world – since they are most familiar with local conditions and habitats. In the year under review, employees once again joined with partner organizations to plant over one million trees, raising our total contribution so far to more than three million trees in support of global reforestation efforts.

## Other environmental aspects

Issues such as noise pollution, waste, natural resources and biodiversity are not considered material issues by the company or our stakeholders, since our business model does not have a serious environmental impact in these areas. We nevertheless consider these issues to be socially relevant, and report on them briefly in this report.

- **Noise pollution:** Management at Group sites located in or near residential areas works closely with residents and other stakeholders to ensure that any noise pollution we cause is kept to an acceptable minimum. Our increased use of electric vehicles for pick-up and delivery and the modernization of our air fleet is also helping to reduce noise pollution.
- **Waste and recycling:** We try to avoid waste such as transportation packaging or office-based paper waste whenever possible and take increasing advantage of digitalization to do so. We also support materials recycling, contributing to the circular economy. Maintenance and decommissioning or scrapping of our aircraft, road vehicles and IT equipment is generally the responsibility of the manufacturer or other third-party providers. Our maintenance and disposal contracts include explicit requirements for compliance with environmentally-friendly practices. Although waste is not considered a material issue, waste separation is the standard procedure at many of our sites. Waste is recorded and properly disposed of under our local environmental management systems. We also share our know-how with customers, such as offering major customers in Brazil a reusable and recyclable packaging solution for pallet transport.
- **Natural resources:** We use only recycled paper products where these meet our technical and economic requirements. We are reducing our paper usage and packaging volumes to help lower demand for virgin paper and collaborate closely with experts and customers in this area. Water is used primarily for drinking and sanitation at our facilities, and is obtained largely from municipal suppliers and discharged into public sewage systems. We implement measures to minimize water consumption as part of our environmental management activities. For new construction projects, we also look to install water recovery systems and water-efficient sanitary installations where possible. As water consumption and disposal are not among our material environmental issues, we report only on consumption in Germany and do not record data on Group-wide water usage. [➔ Page 108](#)
- **Biodiversity:** Our business operations generally do not have a negative impact on conservation areas or endangered protected plant or animal species, since our sites are predominantly located in urban areas or designated industrial and commercial zones. Nevertheless, our business activity still has an impact on ecosystems through greenhouse gas emissions, air pollution, resource consumption and other environmental factors. This is why, for example, our Group-wide Policy on the Usage of Liquid Biofuels also addresses biodiversity aspects in the countries where biofuels are produced. Additionally, we support the United Nation's Convention on Biological Diversity. Our terms and conditions explicitly prohibit the use of our network to transport protected plant and animal species. We are a member of the United for Wildlife Transport Taskforce. In Thailand in particular, we are involved in efforts to stop wildlife trade, and held a workshop on the issue to raise awareness among our employees.