

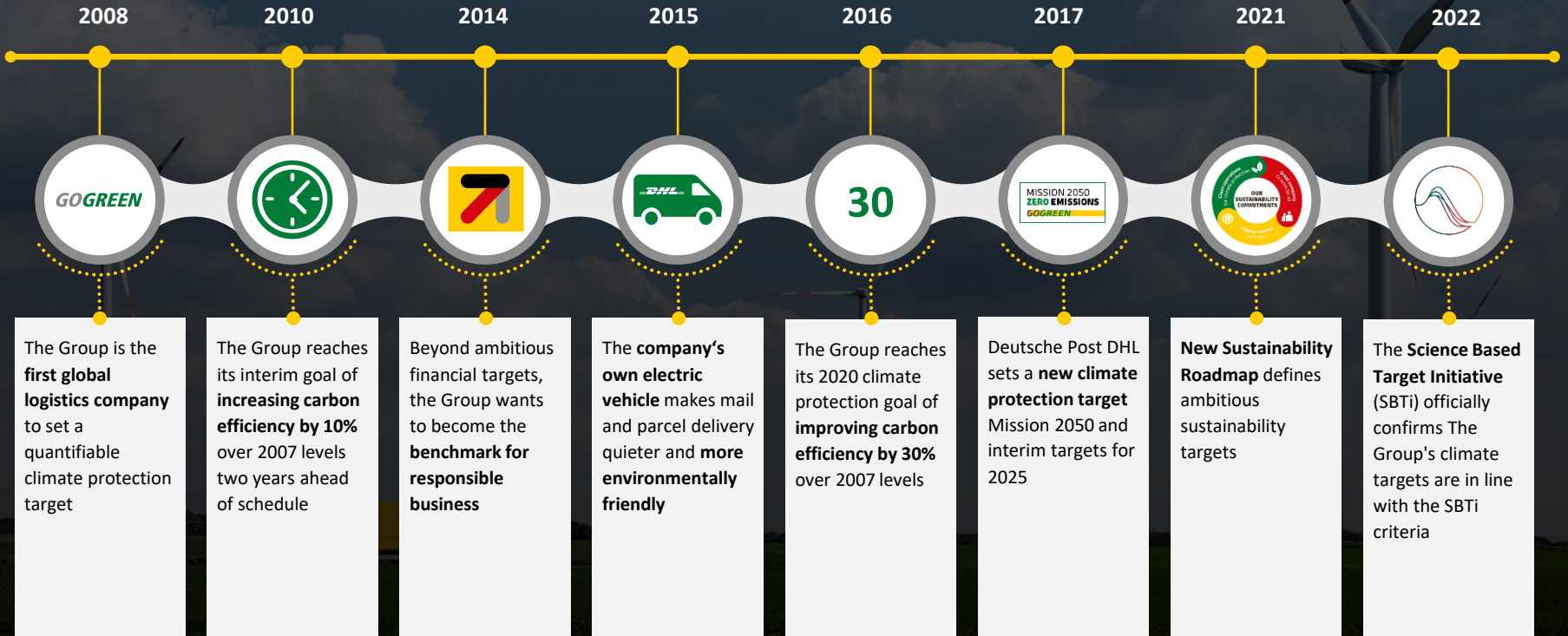
# SUSTAINABILITY THROUGH INNOVATION: HYPE VS REALITY

EXCELLENCE. SIMPLY DELIVERED.  
IN A SUSTAINABLE WAY.

Saul Resnick, CEO DHL Supply Chain UK & Ireland



# Deutsche Post DHL Group is a pioneer in **sustainable logistics**





# The DPDHL Group has a strong track record as a sustainable logistics provider

**3.7 mn**

hours of employee education and training

**1<sup>st</sup>**

global logistics company to provide climate-friendly products



**98%**

Certification rate of cybersecurity trainings for managers



**93%**

green electricity worldwide

**~29,000**

alternative drive vehicles



**>153,000**

employees involved volunteering activities locally



Global  
**Compliance  
Management  
System**

**585 mn**

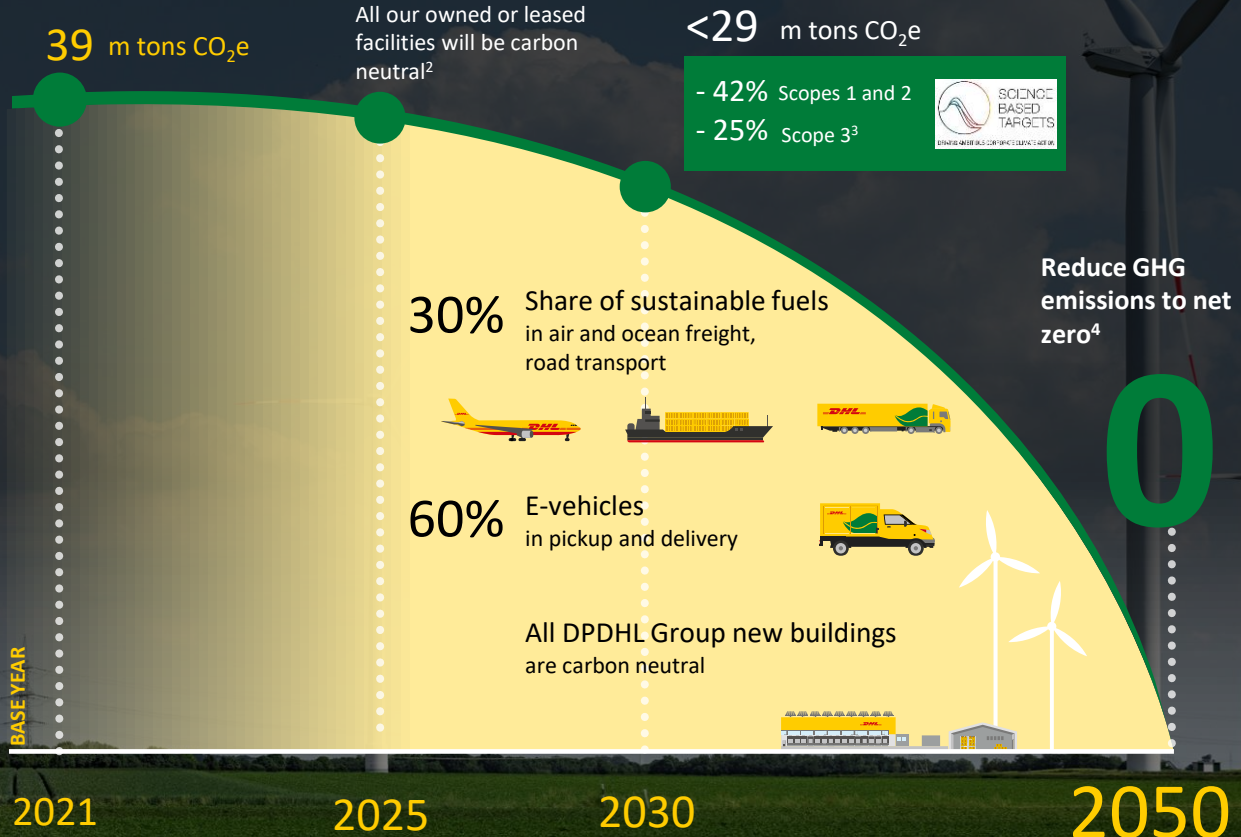
**kWh**

of sustainable fuels used by our fleet



# DESIGNING CLIMATE-NEUTRAL LOGISTICS

By 2050 we want to reduce all logistics-related greenhouse gas (GHG) emissions<sup>1</sup> to net zero, including those of our suppliers and subcontractors.



[1] 1 Basis for GHG emissions calculation (well-to-wheel): Greenhouse Gas Protocol, DIN EN 16258 and the Global Logistics Emissions Council Framework; [2] Target for DHL Supply Chain facilities. Carbon neutral aligns with the DPDHL Group internal definition specified by Corporate Real Estate; [3] Logistics-related GHG categories: 3 (Upstream fuel and energy), 4 (Upstream transport and distribution), 6 (Business travel); [4] Schematic representation. Reduction to an unavoidable minimum, which is to be fully compensated for by recognized countermeasures (without offsetting).

# Five Key Trends from our Trend Radar...

Sustainable logistics trends are **no longer beyond the horizon**. We expect them to have a **medium to high impact** on logistics and supply chain management in the next five to 10 years.

**All with big potential and broad applicability**

Decarbonisation

Circularity

Alternative Energy Solutions

Bid Data Analytics

Optimised, Sustainable Packaging





# Decarbonisation



## Carbon accounting & tracking

Scope 1, 2 and 3 accounting remains a challenge and difficult for consumers to compare providers. Increased use of sensor technology will allow for product level tracking



## Vehicle electrification

Focus on first, middle and last mile operations. Each transport mode has a different horizon for viable electric alternatives. Near term solutions for heavy loads requires alternative fuels such as biofuels



## Carbon capture

Carbon capture technology can help companies meet sustainability goals, and can also deliver a favourable returns on investment



## Optimizing operations

Investment in new fleets or facilities requires significant investment. However optimising routes can save time, fuel, wear and maintenance, plus they achieve CO<sup>2</sup> reduction

## What we've learned:

Training colleagues is imperative when switching to alternative fuels

# Circularity

**Take ownership by** employing a system of return, receipt, recovery and reuse inhouse

## What we've learned:

We already have most of the components of the circular economy value chain. We can therefore move fast to stitch together all of our best practice.



### Rise of Recommerce

- Return logistics to facilitate in-country repair, recycle and or re-sell channels
- Greater supply chain localisation required



### Zero waste in Logistics

- **Packaging redesign to produce clean, return and reuse**
- **Electrification of ground operations**
- **Carbon neutral buildings**



### Circular Supply Chains

- Last mile couriers integrating more returns
- Warehousing throughput of secondary raw materials and additional space



# Alternative Energy Solutions

## What we've learned:

It's key to consider the orientation of the roof before you start a new build – east west gets the most sun!



## Energy supply for buildings & facilities

- Solar panels for offices, warehouses, stores & facilities
- On-site energy storage is a challenge for companies using solar panels or wind power solutions
- Geothermal energy provides another way to power logistics facilities and office buildings



## Ground Transportation

- Clean last-mile transportation solutions are already being used at scale
- Car makers are now developing electrified last-mile delivery solutions
- **However, middle-mile and long-haul electric vehicles are still restricted by range limitations and insufficient charging infrastructure**
- Hydrogen being tested for middle & long haul trucks



# Big Data Analytics

## What we've learned:

Data analytics can be used to influence the online end-consumer to choose a green delivery option



Inventory & Asset  
Optimisation



Transport & Delivery  
Optimisation



Supplier Risk & Due  
Diligence Assessment



Customer Management

# Optimised, Sustainable Packaging

## What we've learned:


Conducting trials is important as it takes time to iron out the peculiarities in your data to make some of these packaging solutions work

## Efficiency Objectives




**REDUCE**

**Reducing the amount of packaging material to optimise costs, eliminate waste, and increase operating efficiency**



**RECYCLE**

Using recyclable and bio-based packaging materials, avoiding waste into landfill



**REUSE**

Implementing innovative, durable and multi-use solutions supporting the circular economy



A landscape photograph featuring several wind turbines scattered across rolling hills. The scene is captured during sunset or sunrise, with a warm, golden light illuminating the sky and the grassy terrain. A dirt road curves through the foreground on the right side. In the upper left corner, there is a large, semi-transparent dark blue circular graphic element.

## IN SUMMARY

Embedding sustainability from the top – **it requires passion and commitment**

**Leverage partners who have the same values** and can support your journey

Learn as you go – **trials and pilots are invaluable** in learning what works, and what doesn't

Sustainability isn't about **competitive advantage**

THANK YOU

