International Post Corporation

SUSTAINABLE TRANSPORT NEW DEVELOPMENTS

SUSTAINABILITY

Presented by Pieter Reitsma
Manager Sustainability

22 pages

26-03-2021

CONTENTS

- Introduction to IPC's SMMS programme
- SMMS key sustainable fleet results
- Long Haul Low-carbon Transport Briefing Paper
- IPC Drivers' Challenge
- Case Studies from SMMS Posts

International Post Corporation

INTRODUCTION

ABOUT IPC

- Founded in 1989
- 24 members worldwide
- Asia Pacific, Europe, North America
- 11 member CEOs on IPC Board
- 69 employees
- Based in Brussels, Belgium
- www.ipc.be

IPC MEMBERS

25 members in Europe, America and Asia-Pacific

IPC'S CURRENT SERVICES (SELECTION)

Supporting our customers' objectives globally

IPC Members

Countries using IPC services

CAPE tool
Reporting, planning & tracking system used by 195 posts, 85 airlines, 1.8bn items / year

Global Customer Service System
Connects 292 call centres in 191 countries

INTERCONNECT
30 operators
Over 10 million items/ month

Shopper survey
32,000 responses in 40 countries

Electronic accounting
30 operators
Transparent full letter mail accounting

UNEX
Monitors 816 priority mail delivery flows using >500k test items

IPC Bag pool
18 participants
1m bags/year

IPC Tray pool
22 participants, 900 routes, 5m trays / year

Regulatory service
Monitors 58 countries

SMMS Sustainability programme
19 participants
30% CO_2 reductions
€1.6bn cost saving

Market Intelligence
Monitors
50 operators

ELEVEN YEARS OF EMMS

2008-2020

International Post Corporation

11 Annual Sustainability Workshops

200+ Webinars

12 Sustainability Reports

100+ Case studies profiled

5 IPC Drivers' Challenges

From EMMS to SMMS

The next chapter

International Post Corporation

Environmental Measurement and Monitoring System (EMMS)

Focus: Carbon emissions = Carbon Performance Indicators (CPI) + Carbon Management Proficiency (CMP)

- 2008: 20 posts join the programme
- 2009: Targets set: 1. -20% S1+2 emissions 2. 90% CMP, by 2020
- 2014: Target 1 achieved: -20% S1+2 emissions
- 2014: Target 3 set: -20% emissions per letter/ parcel by 2025 (Scopes 1, 2 & 3) [Science Based Target]
- 2018: Target 2 achieved: 90% CMP

Sustainability Measurement and Management System (SMMS)

Focus: Health and safety, Learning and development, Resource efficiency, Climate change, Air quality, Circular economy, Sustainable procurement = Sustainability Performance Indicators (SPI) + Sustainability Management Proficiency (SMP)

- 2019: New SMMS programme launched (19 participants)

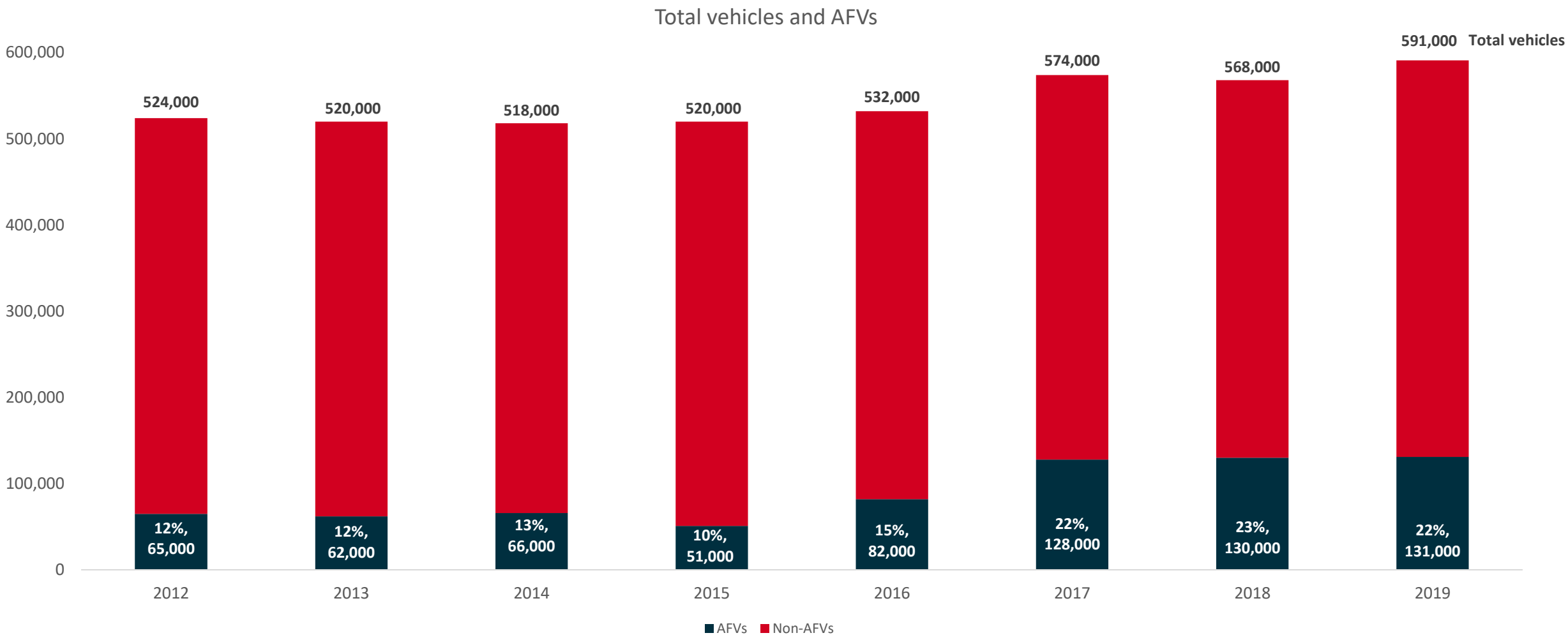
Following extensive research, consultation, collaboration, refinement and iteration, IPC launches the UN SDG-aligned postal sector sustainability programme - expanded to cover the 7 key focus areas most relevant to the postal industry

International Post Corporation

SMMS RESULTS

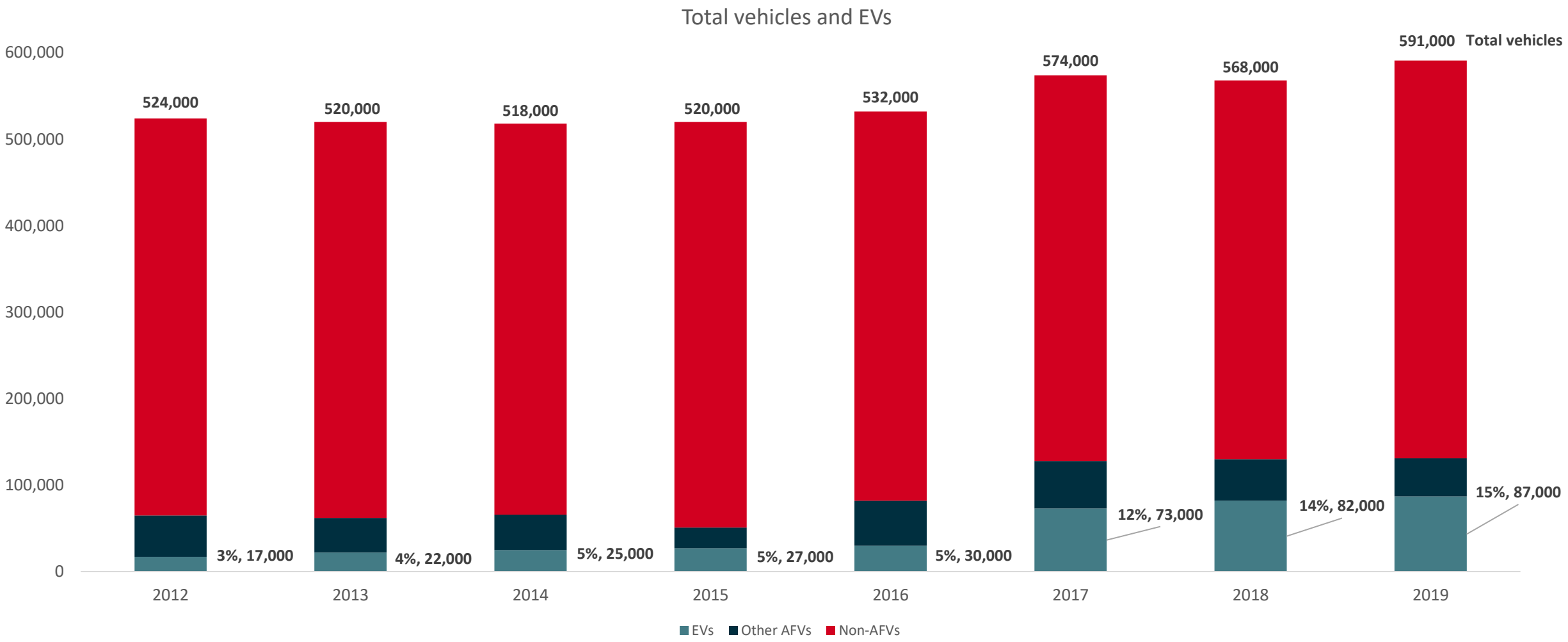
ALTERNATIVE FUEL VEHICLES IN GROUP FLEET

2012 to 2019



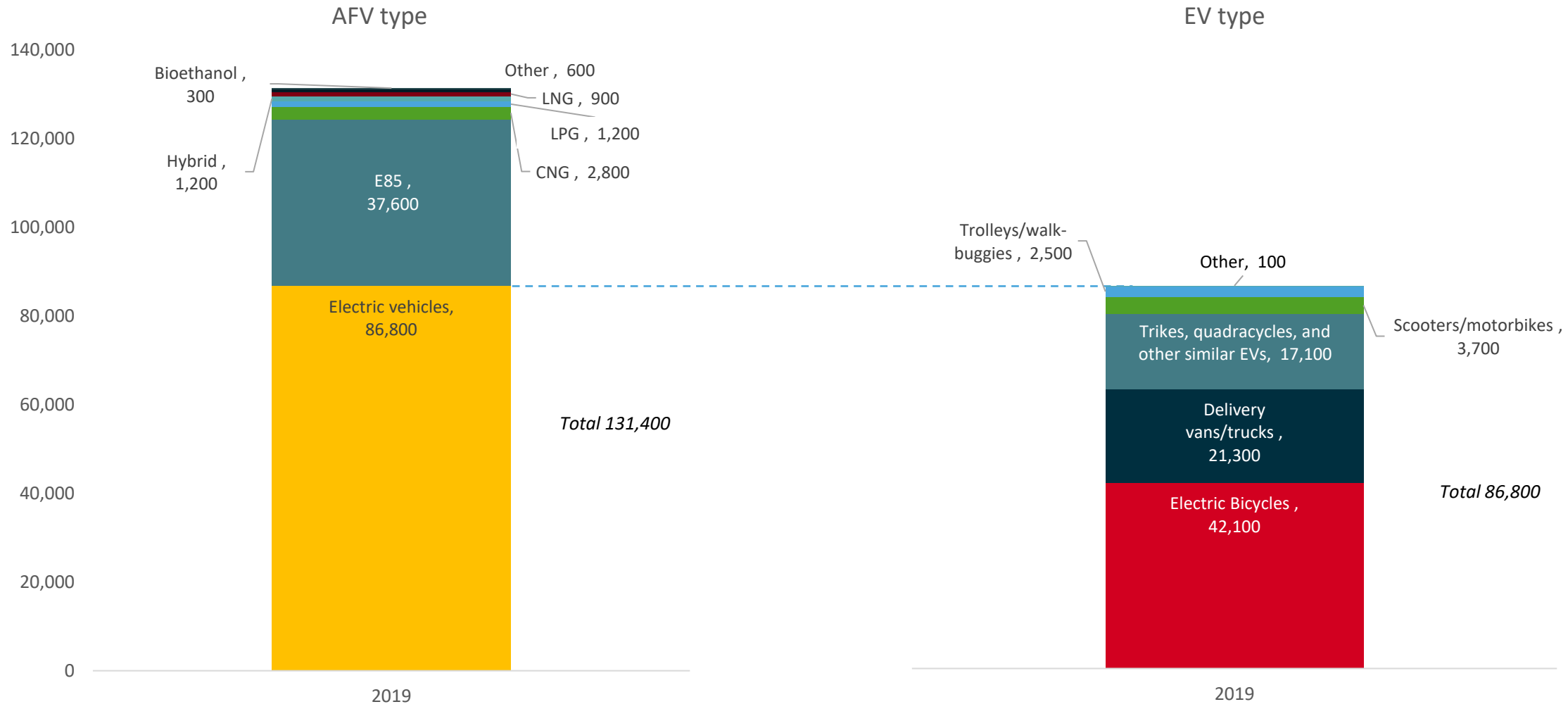
ELECTRIC VEHICLES IN GROUP FLEET

2012 to 2019



BREAKDOWN BY VEHICLE TYPE

2019



May be some discrepancy due to rounding

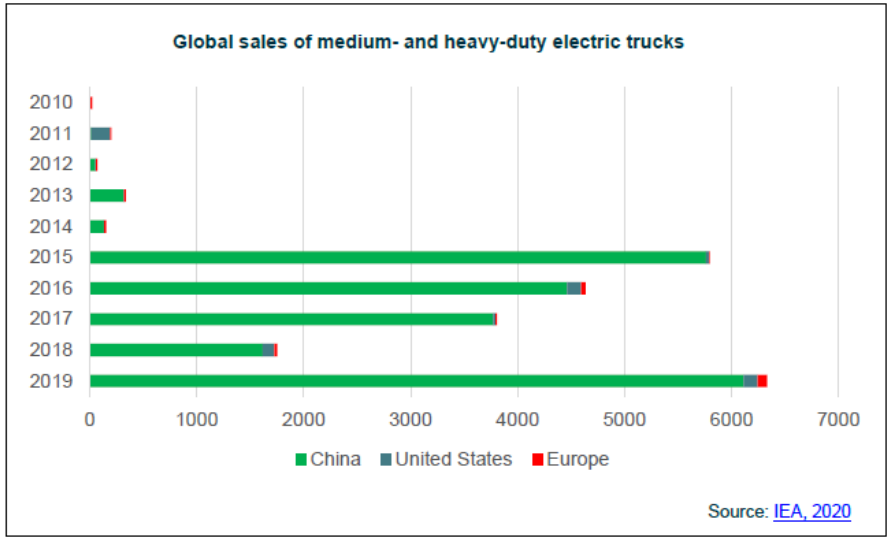
International Post Corporation

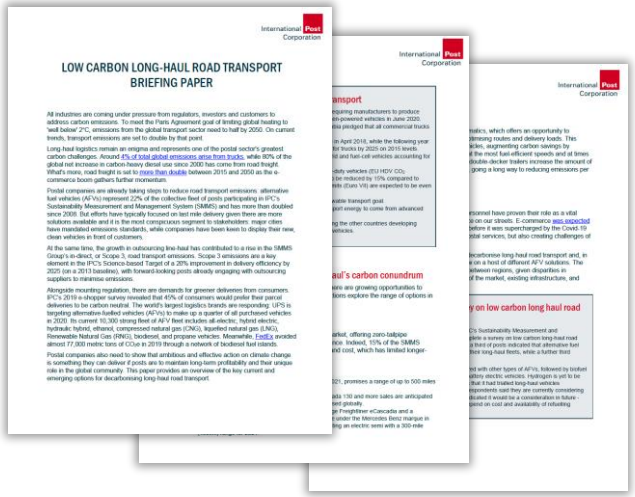
LONG HAUL TRANSPORT

LOW CARBON LONG-HAUL ROAD TRANSPORT

Briefing Paper

- **Regulation** – Mandated standards for low carbon transport exist already in several jurisdictions, including in California, China, India and the EU; Policies are being developed in countries such as Argentina, Brazil, Mexico and South Korea
- **Technology** – Growing opportunities as costs fall and technologies develop
  - **Current market options –** We looked at industry trends and outlook for Electric Vehicles, Electric roads, Hydrogen, and Advanced Biofuels and Synthetic fuels
  - **Emerging technologies**
    - **Efficiency improvements** – reducing emissions from existing fuels will play a crucial role
    - **Natural gas** – alternatives including CNG, LNG, LPG each have their own pros and cons
    - **Technical improvements** – emerging tech such as telematics (optimising routes and delivery roads); autonomous vehicles and double-decker trailers
- **SMMS survey on low carbon long haul transport -** of the 12 respondents, a third of posts indicated that alternative fuel vehicles (AFVs) were already a permanent part of their long-haul fleets, while a further third indicated they were currently trialling them.
  - More posts are using natural gas vehicles, compared with other types of AFVs, followed by biofuel - including fuel made from used cooking oil - and battery electric vehicles. Hydrogen is yet to be taken up in earnest.





International Post Corporation

IPC DRIVERS' CHALLENGE

IPC DRIVERS' CHALLENGE 2021

Zandvoort, Netherlands – November 2021 (TBD)

International Post Corporation

DRIVERS' CHALLENGE

International Post Corporation

1	2	3	4	5	6
FRANCE	IRELAND	FINLAND	BELGIUM	PORTUGAL	NETHERLANDS
2012	2013	2015	2016	2018	2021

IPC DRIVERS' CHALLENGE

Co-hosted by PostNL– November 2021 (TBD)

International Post Corporation

2021 Edition in Zandvoort (The Netherlands)

- International eco-driving competition on F1 race track near Amsterdam
- 2020 edition postponed due to Covid-19 crisis
- Increased focus on electric vehicle handling in the challenge
- Series of knowledge tests regarding car handling and traffic rules
- Educational way to incentivise some of the best drivers in postal organisations
- Sixth IPC Drivers' Challenge, after Montpellier (France), Naas (Ireland), Ivalo (Finland), Spa-Francorchamps (Belgium) and Estoril (Portugal)

Eco-driving, customer care, safe driving, car-handling, agility

2018 participants:
An Post (Ireland)
2x bpost (Belgium)
Correos (Spain)
CTT Portugal Post (Portugal)
Le Groupe La Poste (France)
Posten (Norway)
2x PostNL (The Netherlands)
Posti (Finland)
PostNord (Denmark & Sweden)

International Post Corporation

POST CASE STUDIES

International Post Corporation

Royal Mail turns red to green with new electric vans

As part of its commitment to reduce its environmental impact Royal Mail continues to expand its electric vehicle fleet. This represents a key facet of the Company's ongoing efforts to reduce CO_2 emissions associated with its operations.

Following the successful deployment of **100 zero carbon emission electric vehicles across the UK last year, Royal Mail plans to roll out of a further 190 electric vans**. Dispensing with the traditional red branding, the vans will be wrapped in a striking shade of green to mark the occasion.

The expansion forms part of Royal Mail's involvement in Ofgem-funded Optimise Prime – the world's largest commercial electric vehicle project. The project aims to bring together leading power, technology, fleet and transport companies to test and implement the best approaches to electric vehicle roll-out for commercial enterprises.

Royal Mail is committed to making changes to its operations that reduce its environmental impact, whilst ensuring it continues to meet customer expectations

International Post Corporation

Swiss Post was one of the first national postal companies to join EV100 (Electric Vehicles 100)

CLIMATE GROUP
EV100

Swiss Post, with its subsidiary Post CH Ltd, was **the first major company in Switzerland to join EV100 in February 2019 together with Austrian Post.**

Swiss Post has already electrified its mail delivery fleet consisting of 6,000 electric three-wheeled vehicles and now wants to switch 4,600 delivery vans up to 3.5t and 180 service vehicles to electric vehicles by 2030.

All of Swiss Post electric vehicles are 100% powered by “naturemade star”, certified renewable energy from Switzerland. Furthermore, Swiss Post supports the uptake of electric vehicles by its staff by installing charging infrastructure at its largest sites.

Since 2010, Swiss Post has been promoting electric mobility as part of its programme “pro climate – we act today” and as an important lever for achieving the Group’s goal of “increasing CO2 efficiency”.

EV100 brings together forward looking companies committed to making electric mobility the new normal by 2030.

EV100 provides a global platform to showcase corporate leadership and enable best practice sharing between our members to overcome challenges together.

Companies joining make a public commitment to at least one of the following by 2030:

- Switch their fleets to electric vehicles, and/or
- Install EV charging for staff and/or customers.

Current SMMS members of EV100 are:

- An Post
- Austrian Post
- Deutsche Post DHL Group
- Swiss Post

PostNL drives beyond emissions standards in new trucks

Throughout 2018, 15 large trucks running on LNG are being added to the PostNL fleet

Currently, PostNL relies on a large fleet of trucks that use 7.5m litres of diesel a year causing 20,000 tonnes of $C0_2$ emissions. It is anticipated that these newer LNG vehicles **will lower carbon emissions by 10%. The trucks will also emit levels of PM10 and nitrous oxides (NOx) well below current European standards, thereby significantly improving air quality.**

On top of the environmental benefits, the LNG engine is much quieter and will provide a significant reduction in noise, improving the quality of life in urban environments. Also, the new fleet will have a smaller operating cost than their diesel counterparts.

In the future, PostNL plan to further expand their fleet of alternative fuel trucks with more LNG and bio-LNG vehicles. The aim will be to reduce $C0_2$ emissions by 50% compared to their diesel counterparts.

International Post Corporation

THANK YOU!

SUSTAINABILITY

Presented by Pieter Reitsma
Manager Sustainability

22 pages

26-03-2021