

DHL Global Forwarding implements 'book & claim' mechanism for Sustainable Aviation Fuel and joins United Airlines' Eco-Skies Alliance program

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DHL Global Forwarding will fund the purchase of sustainable aviation fuel (SAF) via United Airlines, recognizing the key role of SAF in decarbonizing the airfreight cargo industry. As part of the Eco-Skies Alliance program, the logistics expert is one of the program participants that will contribute towards SAF purchases of 3.4 million gallons (12.87m liters) this year to reduce emissions. The SAF is blended proportionally to regular aviation fuel for United Airlines flights. The higher the share of the SAF in total, the lower the carbon emissions. In this way, true carbon reduction is achieved. The benefits of this are allocated by DHL to the customers, helping them to reduce their carbon footprint.

"We are very proud to take another step on our sustainability roadmap towards zero emissions. Through this partnership we will be able to show how a market mechanism for SAF can help airlines, freight forwarders, and shippers work together to accelerate the transition to a low-carbon, ultimately zero carbon emissions transport sector," says Tim Scharwath, CEO DHL Global Forwarding, Freight.

To help scale up the usage of SAF, DHL will utilize a 'book and claim' mechanism for the corresponding carbon life cycle reductions. Such a mechanism removes the requirement for physical traceability of the fuel through a supply chain via the sale and purchase of certificates or credits. While creating critical mass of certified SAF, it also provides market

access to all within the industry, regardless of their location or size. A common example of an existing book and claim system are renewable energy certificates (REC) for green electricity. DHL Global Forwarding is currently piloting the 'book and claim' mechanism with select customers and will make it available to all customers later this year.

"Clean Skies for Tomorrow's (CST's) Demand Signal group has developed the SAF certificate concept as a workable solution. The 'book and claim' mechanism is an essential element of SAF certificates. We need frontrunners like Demand Signal group participants United Airlines and DHL Global Forwarding to put concepts into practice so that it can be validated and turned into a formal standard," stated Christoph Wolff,



Head of Shaping the Future of Mobility, World Economic Forum.

With the newly formed Eco-Skies Alliance program, United Airlines aims to power future flying in a more sustainable way. The first of its kind program involves leading global corporations, who with United will purchase the emissions reductions from 3.4 million gallons of SAF in 2021. Together, the participating companies can eliminate approximately 31,000 tons of greenhouse gas emissions on a lifecycle basis, compared to the use of conventional jet fuel.

"Reducing our emissions from fuel use is critically important and when companies as large as DHL recognize the value in switching to SAF, we're another step closer to establishing SAF as a long-term, permanent solution for aviation," said Jan Krems, President of United Cargo. "The Eco-Skies Alliance is an opportunity for us to collaborate with like-minded corporate and cargo customers, like DHL, who are leaning into the climate discussion and actively finding ways to leverage their relationships to decarbonize their aviation-related impact on the environment."

Participating in the Eco-Skies Alliance program is one pillar of DHL Global Forwarding's insetting strategy, which aims to reduce and neutralize the emissions where they are emitted. The purchased amount of SAF is to be used within this year

and represents a starting point in the SAF uplift at DHL Global Forwarding. A key criterion in evaluating the suitability of a fuel alternative is that the fuels are produced sustainably and do not compete with other needs, for example with food production for land use. Following strict sustainability standards, the waste-based biofuels must meet the requirements to qualify as the cleanest biofuels currently available on the market.

As part of its sustainability roadmap and Mission 2050, Deutsche Post DHL Group has made a commitment towards a Science Based Target Initiative (SBTi) and will invest €7 billion through 2030 in clean operations to reduce its emissions to under 29 million tons. One of the key targets is the aspiration of becoming the leader in sustainable aviation. To achieve this target, Deutsche Post DHL Group will increase the blend of SAF in its operations to >30 percent by 2030. The GoGreen carrier evaluation program from DHL Global Forwarding allows to give preference to carriers with strong environmental performance. United Airlines is one of DHL Global Forwarding's key carriers. The airline has been in the top three of the GoGreen Carrier Evaluation for many years, and like Deutsche Post DHL Group, United Airlines is an active member in World Economic Forum's 'Clean Skies for Tomorrow' initiative. Both companies have been working jointly on sustainability initiatives since 2016.



By 2050, Deutsche Post DHL Group aims to reduce all logistics-related emissions to zero. Important milestones on this journey have

already been achieved: Compared to 2007, the Group's CO2 efficiency has improved by 35 percent.

Source: <u>Deutsche Post DHI Group</u>