

PPN 006 – Carbon Reduction Plan

DHL Supply Chain UK

This carbon reduction plan captures DHL Supply Chain Limited and McGregor Cory Limited, together referred to as 'DHL Supply Chain UK'.

March 2026



Commitment to achieving net zero

As the world's leading logistics company, DHL Group (formally Deutsche Post DHL Group) understand our responsibility to the planet and is committed to achieving net zero emissions by 2050. DHL has also joined the UN Initiative Race To Zero. We are convinced that limiting global warming to 1.5°C is crucial for our planet; the decisive factor is how we jointly shape the transition to a net zero world.

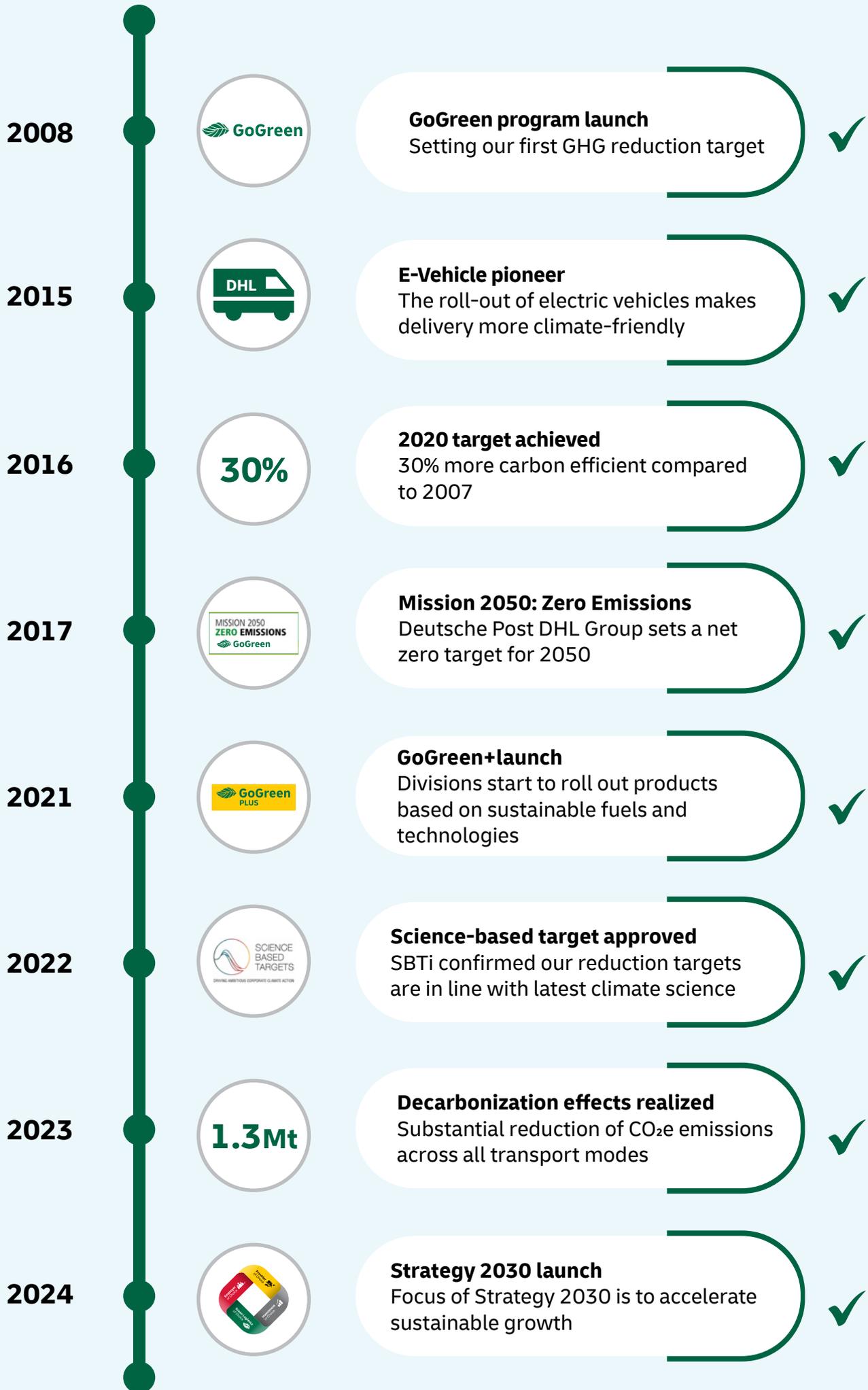
Green Logistics of Choice

Our Strategy 2030 puts sustainability at the core of our Group Strategy through our aspiration to be “Green Logistics of Choice”, which is now our fourth Group bottom line. This show that we are embracing the challenge of decarbonizing our business while helping our customers do the same. This is backed by real action to ensure we remain the front-runner in low-carbon logistics including:



- Continuously finding, testing, and deploying the most viable solutions – like our growing sustainable fleet.
- Investing ahead of the curve, specifically to provide suppliers with the confidence to innovate and scale solutions.
- Making it a high priority to increase our premium, low-emission products and services.

However, DHL Group has a long standing and well-established environmental programme dating back in 2008 when the Group officially launched our GoGreen programme.



Baseline emissions footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction are measured.

As a global leader in supply chain management, our response to climate change is to “manage what we measure”. We introduced a global carbon accounting system to measure our own fuel and energy use and calculate greenhouse gas emissions in 2009. Since 2010, Carbon Accounting and Controlling has been established as a line function within DHL’s Corporate Accounting and Controlling department, emphasizing the business relevance of GoGreen.

Our internal management information system tracks both carbon emissions and carbon efficiency. We calculate our greenhouse gas emissions based on widely accepted international standards including the Greenhouse Gas Protocol (GHG Protocol) standards, the Corporate Accounting and Reporting Standard, as well as the Corporate Value Chain (Scope 3) Accounting and Reporting Standard and the Global Logistics Emissions Council (GLEC) Framework. Our data is collected and processed in accordance with the requirements of EN 16258, ISO 14083 and ISO 14064 standards.



Baseline year: 2021

Additional details relating to the baseline emissions calculations.

With the launch of the GoGreen programme in 2008, DHL Group became the first logistics company in the world to set a measurable climate protection target. By 2020, DHL committed to improve its CO₂e efficiency by 30 percent compared with the base level from 2007 – we have been measuring and communicating on our progress ever since. In 2021, we changed our sustainability reporting – the non-financial statement can now be found in the Annual Report along with further ESG information, and is complemented by the **ESG Presentation and the ESG Statbook**. Our Annual Report can be found in the **Reporting Hub**.

In 2021, we also published our accelerated sustainability roadmap, including committing as part of the Science Based Target initiative (SBTi) to reduce our greenhouse gas emissions by 2030 in line with the Paris Climate Agreement, compared to a 2019 business as usual scenario. Following this commitment, in November 2022, the independent Science Based Target Initiative (SBTi) officially confirmed that DHL Group's climate targets are in line with the SBTi criteria and thus reflect the current state of climate science. DHL Group will significantly reduce its logistics-related greenhouse gas emissions in absolute terms from 40 million tonnes CO₂e in 2021 to below 29 million tonnes CO₂e by 2030 across Scopes 1 to 3 (direct emissions from the use of fuels and indirect emissions from purchased energy – Scope 1 and Scope 2 emissions by 42 percent by 2030,

and absolute Scope 3 emissions from categories 3: upstream fuel and energy-related activities, 4: upstream transportation and distribution and 6: business travel by 25 percent by 2030); thus actively contributing to limiting global warming to 1.5 degrees. For this reason, our previous baseline of 2019 as published in the carbon reduction plan dated 16.11.2021, was revised to 2021.

Covering around 85 percent of total Scope 3 emissions of the DHL Group, outlined for DHL Supply Chain (DSC) UK in the emissions tables below are the Scope 3 logistics-related categories; 3 – upstream fuel and energy-related activities, 4 – upstream transportation and distribution and 6 – business travel, which are included in the target boundary for the Group's approved science-based target (SBT). In line with the GHG protocol, all of our contracted transportation and distribution activities are included in category 4, so category 9: downstream transportation and distribution is not applicable to our business.

The emissions tables also include Scope 3 non-logistics-related categories that fall outside our science-based target boundary due to their limited materiality to our business.

Figure 1 provides an overview of the Scope 3 emission categories in DSC UK. Categories 4, 5, 6, 7, and 9 (indicated with an asterisk) constitute the subset of Scope 3 emissions that must be reported in accordance with Procurement Policy Note (PPN) 006.



| Scope 3 category | Scope 3 category name | DHL logistics-related / non-logistics-related Scope 3 emissions |
|------------------|--|--|
| 3 | Upstream transportation and distribution | Logistics-related emissions, covering approximately 85 percent of total Scope 3 emissions and included in our SBT target boundary. |
| 4* | Upstream transportation and distribution | |
| 6* | Business travel | |
| 1 | Purchased goods and services | Non-logistics-related emissions due to limited materiality to our business. Not included in our SBT target boundary. |
| 2 | Capital goods | |
| 5* | Waste generated in operations | |
| 7* | Employee commuting | |
| 8 | Upstream leased assets | |
| 9* | Downstream transportation and distribution | Included within Scope 1 & 2 emissions. |
| 10 | Processing of sold products | Not applicable to the DSC UK business. |
| 11 | Use of sold products | |
| 12 | End-of-life treatment of sold products | |
| 13 | Downstream leased assets | |
| 14 | Franchises | |
| 15 | Investments | |

Figure 1

Baseline year emissions: 2021

| EMISSIONS | TOTAL (tCO ₂ e) Well-to-Wheel (WtW) |
|--|--|
| Scope 1 | 221,002 |
| Scope 2 | 403 |
| Scope 3 logistics-related emissions (categories 3,4 and 6 as included in SBT boundary) | 371,712 |
| Total Emissions (including Scope 3 logistics-related emissions only) | 593,117 |
| Scope 3 non-logistics-related emissions | 199,376 |

Reporting year: 2025

| EMISSIONS | TOTAL (tCO ₂ e) Well-to-Wheel (WtW) |
|--|--|
| Scope 1 | 134,918 |
| Scope 2 | 221 |
| Scope 3 logistics-related emissions (categories 3,4 and 6 as included in SBT boundary) | 269,826 |
| Total Emissions (including Scope 3 logistics-related emissions only) | 404,965 |
| Scope 3 non-logistics-related emissions | 242,460 |

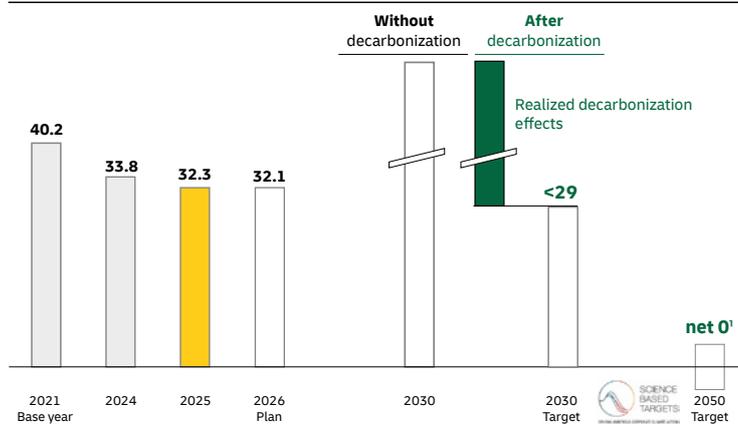


Emissions reduction targets

To continue our progress to achieving net zero, we have adopted the following carbon reduction targets. In 2017, DHL was the first global logistics company to set an ambitious target to reduce all logistics-related greenhouse gas emissions to net zero by the year 2050. **The SBTi approved our net zero target for 2050 in July 2024.** With our mission to achieve net zero emissions by 2050 ('Mission 2050'), we strive for clean operations for climate protection. For DSC UK, a pathway aligned to the DHL Group SBT target will see a reduction of our greenhouse gas emissions by over 30 percent to under 500 ktCO₂e by 2030. Progress against these targets can be seen in the DSC UK Decarbonisation Pathway below:

DHL Group Decarbonisation Pathway

Logistics-related GHG emissions (m metric t CO₂e)

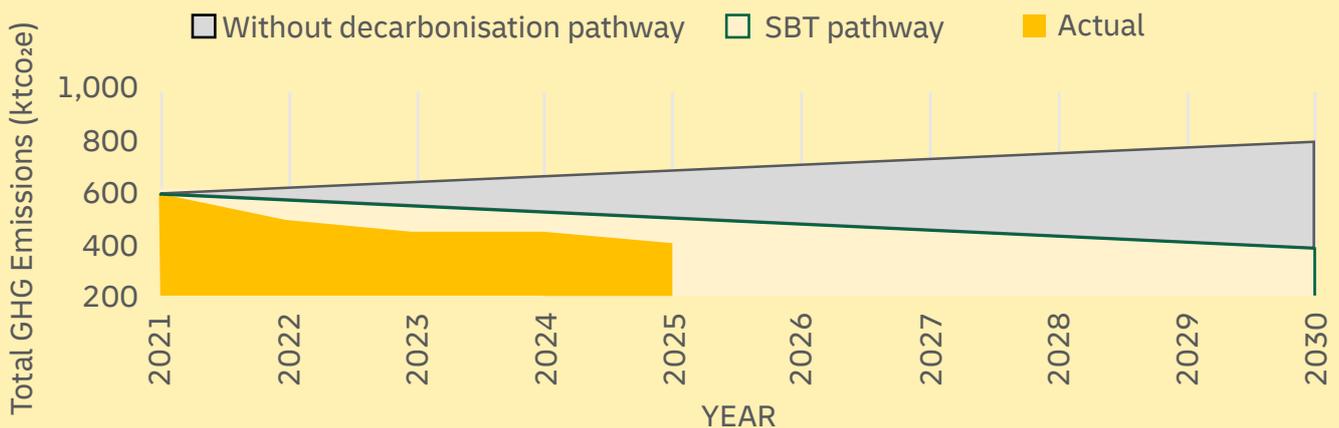


The 2030 and 2050 climate targets have been validated by the Science Based Targets initiative and assessed and confirmed as aligned with limiting global warming.

- 2030: aligned with 1.5 degrees Celsius (Scopes 1 and 2) and significantly below 2 degrees Celsius (Scope 3)
- 2050: confirmed as aligned with 1.5 degrees Celsius

Progress toward the targets is reported internally on a monthly basis, and the forecast for the annual target is tracked centrally.

DSC UK Decarbonisation Pathway by year 2021-2030



Carbon reduction projects

Completed Carbon Reduction Initiatives

Since launching GoGreen, DHL has been designing and implementing climate and environmental protection measures and has helped lead the way towards a sustainable future for logistics.

The following environmental management measures and projects have been completed or implemented in DSC UK. The carbon emissions reduction, including contributions from these schemes, equate to over 180,000 tCO₂e; a 32 percent reduction against the 2021 baseline. These measures will be in effect when performing the contract.



Supporting policies and Governance

- **Policies:** Our **Environmental and Energy Policy**, complemented by our environmental and energy objectives, defines measures to minimize our effects on the environment. In line with our investment policy, all new acquisitions must be demonstrably more carbon efficient than existing assets.
- **Management system:** We implement our environmental standards across the company and create a uniform framework for sustainability-focused thinking and action (based on ISO standards). DHL has developed, and maintains, an Environmental and Energy Management System known as the EMS 10 Steps. The EMS 10 steps approach has been formally evaluated by an independent third-party assessor (SGS) and has been used as the framework for obtaining external accredited certification to both ISO 14001 and ISO 50001 standards. DSC UK aims to rollout the EMS 10 Steps to all its in-scope operations by the end of 2026. In 2025, over 60 percent of DHL's global ISO-relevant operational sites were certified as ISO 14001 and / or ISO 50001 compliant, as well as being audited by independent third-party auditors.

Our approach to reducing emissions across our transport and real estate

Our approach to energy and fuel efficiency measures is anchored in two core principles: 'burn less' and 'burn cleaner'. The 'burn less' principle focuses on reducing energy and fuel consumption across our operations through efficiency measures, optimisation and behavioural change. The 'burn cleaner' principle delivers further emissions reductions, for example by using low and zero carbon sustainable alternative fuels.

These principles guide not only how we manage our own assets, but also how we enable our partners and the wider supply chain to reduce their environmental impact. By sharing best practices, deploying low carbon technologies, and collaborating on optimisation initiatives, we help accelerate decarbonisation beyond our direct footprint. Together, the 'burn less' and 'burn cleaner' approach encompasses both technological upgrades and behaviour-driven improvements. Presented below are examples of the diverse measures implemented to optimise DHL's vehicle fleet, buildings, and logistics networks, while supporting our customers and supply chain partners on their sustainability journey:

Employee engagement is a key part of our GoGreen programme:

- **Training** – DHL's sustainability-related training courses including **'Sustainability Starts With You'** as well as our **'Certified GoGreen'** training programmes, have been designed to equip all our employees with the tools to empower them to make sustainability-focused choices at work and beyond.
- Our 'Certified' content was expanded in 2025 to include specific modules on sustainable transport solutions, which forms part of our **'Certified Transport Decarbonization Essentials'** training.
- Sustainability is integrated into learning and development for functional and operations teams.
- We also make use of internal social media platforms to drive action and help promote awareness and involvement at a local level, including during World Environment Day.
- An important aspect of engaging our employees is recognising and rewarding their input towards sustainability. Our internal publications, 'Recognising Excellence', and CEO Award schemes, which feature a Sustainability category, are example instruments we use to recognise our colleagues for their GoGreen actions.

Our operational First Choice core tools and Operations Management System (OMS) principles provide a means for driving a GoGreen continual improvement focus into our operations on a daily basis, as well as ensuring any changes such as delivering waste efficiencies and minimising energy usage are celebrated, reported and sustained.



Transport

Key Current Reporting Year Highlights

- DSC UK’s share of sustainable fuels across its owned / leased fleet at the end of 2025 was over 30 percent for the second consecutive year, driven by continued use and expansion of sustainable alternative fuels in transport - predominantly gas (bio or renewable liquified natural gas (LNG) or compressed natural gas (CNG)) and hydro-treated vegetable oil (HVO).
- We added another 43 bio-LNG trucks to our vehicle fleet, bringing our total number of gas vehicles in the UK to over 200, operating across several customer contracts. This continued growth demonstrates our commitment to accelerating low carbon fleet transition at scale.
- DSC UK has also added new HVO fuelling locations to fuel bunkers already converted to HVO. This resulted in nearly 20 million litres of HVO being consumed in 2025, saving over 56,000 tonnes of CO₂e versus diesel.
- Our DSC UK fleet strategy is proactive and forward looking. We operate a mix of operationally low carbon and zero carbon-capable fleet – matched to operational needs – and supported by a structured fleet-replacement cycle – continually upgrading vehicles that meet the latest emissions standards. For example, in 2025, Euro 6-compliant vehicles made up more than 95 percent of our diesel fleet.
- Our fleet optimisation is driven by continuous innovation and investment in new vehicles and technology. This includes the adoption of 30 Volvo Aero tractors, including 10 bio-LNG-powered units, with early results showing their streamlined aerodynamic design is delivering a 6.7 percent fuel saving.
- In 2025 DHL Supply Chain expanded its partnership with Suntory Beverage & Food GB&I (SBF GB&I) to accelerate the transition to low-carbon logistics. **The introduction of low-carbon fuels - such as hydro-treated vegetable oil (HVO) and biomethane - across the SBF GB&I distribution network** is anticipated to achieve an annual Scope 3 emissions reduction of more than 2,000 tonnes of CO₂e. Additionally, network optimisation measures are projected to remove in excess of 100,000 road miles each year, further reducing carbon emissions and network waste. This initiative reflects the strong joint commitment of both organisations to

drive measurable progress towards their sustainability targets.

- 50 independent diesel-driven refrigeration units were replaced with engineless refrigeration alternatives, reducing diesel dependency in temperature controlled networks.
- 80 percent on our subcontractor spend was covered by the **Global Green Carrier Certification** programme in 2025. This is helping us identify more of our subcontractors that are already contributing to sustainable logistics, while encouraging further investment in technologies that reduce emission across our wider transport network.
- As of December 2025, only 11 percent of our company car fleet was ICE vehicles - Hybrid and electric vehicle adoption has risen by 8 percent compared with 2024. Furthermore, all company car drivers must undergo training which references eco-driving.



Other Initiatives

- We continue to provide our drivers with behavioural and fuel efficiency training to improve fuel efficiency within our vehicles and in turn reduce emissions across our fleet.
- Network optimisation programmes at several levels; including operational, tactical and strategic, that reduce road miles remains a key focus. Through load and route optimisation as well as implementation of control towers, DSC UK is delivering operational efficiencies such as decreasing empty running and increasing trailer fill.
- We continue to embed our **Green Transport Policy** for our owned / leased transport fleet. The policy analyses operational technological fit, local availability (vehicles, fuel and infrastructure) & abatement costs for key technologies to derive clear investment guidance and drive substantial reductions in emissions in line with the DHL Group's Sustainability Roadmap.
- We are making further investment in BEV technology as applicable, following introducing the **UK's first fully electric Volvo heavy duty tractor units**.
- Subcontractor improvements – DigiHaul, part of DSC UK, is optimising our carrier network and contributing towards a reduction in carbon emissions in a number of ways, including from decreasing empty running.



Real Estate

Key Current Reporting Year Highlights

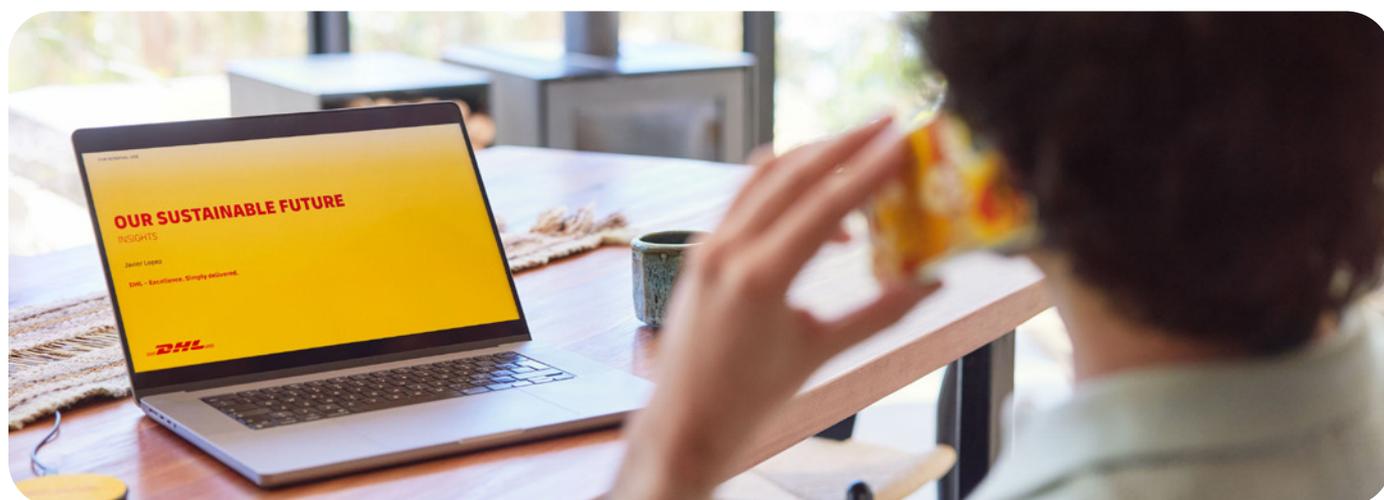
- 86 percent of DSC UK buildings were classified as operationally carbon neutral (aligned to DSC's internal definition), utilising a net zero approach.
- Renewable energy remains the primary source of electricity across DHL. Over 99 percent of the electricity used across DSC UK's real estate in 2025 was purchased from renewable sources.
- Photovoltaic panels have been installed at 5 existing DSC UK locations during 2025, generating 2.1 percent of electricity requirements. A further 14 installations are planned in 2026 as part of DSC's strategy to increase our own renewables share to 30 percent of our building electricity requirements by 2030 – '30 by 30'.
- In 2025 we purchased ISSC-certified heating-related bio-methane certificates to cover **all** our natural gas-related heating requirements, bringing the procurement of gas into closer alignment with our existing approach for sourcing renewable electricity. This reduced the carbon attributed to the use of natural gas in buildings by over 88 percent.
- A process for all DSC UK new builds to include a whole life carbon assessment has been introduced, enabling the evaluation and, where applicable, implementation of alternative materials to reduce our buildings embodied carbon.

Other Initiatives

- Supported by the EMS 10 Steps, we encourage all sites to monitor and review their energy consumption and KPIs, share best practice

and drive positive behaviours regarding energy management and reducing consumption.

- Within our real estate, we have defined a range of levers to improve the sustainability and efficiency of our buildings. Non-exhaustive examples include:
 - Building automation and measurement including enhanced energy monitoring with smart meters
 - Energy from renewable sources including solar ready roofs or solar panels
 - Efficient lighting, with daylight and / or occupancy sensors
 - Efficient heating and cooling including automated controls
- DSC UK continues to strengthen planned and preventative maintenance routines, including pipework thermal insulation.
- We have continued to implement alternative fuelled shutters; including both HVO and electric options.
- We address our heating and cooling usage in our properties through a variety of means. For example, by ensuring our buildings are properly insulated and by using draught exclusion devices, as well as ensuring temperature controls are kept to the minimum so that the demand for energy within the building is reduced.
- All our new (owned / leased) buildings continue to be carbon neutral by design, aligned to our base build standard, as well as achieving BREEAM Excellent and compliance with EU Taxonomy and CRREM.



Green Logistics of choice

“As a global market leader, we continue to intensify our decarbonization measures. Through the electrification of vehicles, the use of alternative fuels, and the implementation of low-emission logistics solutions, we enable our customers to reduce their Scope 3 emissions.”

Dr. Tobias Meyer

Chief Executive Officer,
Member of the Board of Management
Global Business Services





Declaration and sign off

This Carbon Reduction Plan has been completed in accordance with PPN 006 and associated guidance and reporting standards for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan was reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

Signature

Name: **Martin Willmor**
 Job title: **Chief Executive Officer, DHL Supply Chain UK&I**

Signature

Name: **Becky Taylor**
 Job title: **Chief Financial Officer, DHL Supply Chain UK&I**

¹ <https://ghgprotocol.org/corporate-standard>

² <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

³ <https://ghgprotocol.org/standards/scope-3-standard>