

SUSTAINABLE AVIATION FUEL IN THE EXPRESS INDUSTRY

AN INTEGRAL ELEMENT OF DPDHL'S SUSTAINABILITY
ROADMAP

Central European Biomass Conference 2023,
Graz, 18. January





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Deutsche Post DHL Group



Deutsche Post 



**eCommerce
Solutions**



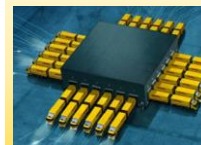
DHL Express



DHL Freight



**DHL Global
Forwarding**



**DHL Supply
Chain**

DHL Air Austria

DHL Express AT

DHL Air Austria



Name: DHL Air (Austria) GmbH

Establishment of the company: 06. July 2021

AOC & AOL: 18. October 2021

Headquarter: VIE - Vienna International Vienna



Employees: 240 of which 180 Pilots



Size of fleet: 18 Airplanes (Boeing 757)



Start of operations: 18. October 2021



The Big Picture - Sustainability Strategy of DPDHL

Our Commitments closely align with 6 UN SDG's



DPDHL climate targets have been confirmed by the SBTi in line with their criteria and thus reflect the current state of climate science

Our Emissions Targets Include:

- Reduction in the Group's annual greenhouse gas emissions in absolute terms from **39 mio. tonnes CO2e in 2021 to below 29 mio. tonnes CO2e in 2030**
- Reducing absolute direct emissions from the use of fuels and indirect emissions from purchased energy **by 42% percent by 2030**
- Absolute Scope 3 emissions from fuel and energy related activities, upstream transportation and distribution and business travel are to be **reduced by 25 % by 2030**

The Big Picture - Sustainability Strategy of DPDHL

Clean operations for climate protection



Focus

Reducing logistics-related GHG emissions

Measures

- Use of sustainable technologies and fuels
- Road fleet electrification¹
- Climate-neutral design of new buildings²
- Green product portfolio

KPI

Realized Decarbonization Effects⁴

Great company to work for all



Focus

- Employee engagement
- Diversity and inclusion
- Occupational safety and health

Measures

- Attract and retain the best talent
- Actively promote equal opportunities
- Healthy and safe work environment

KPIs

- Employee Engagement⁴
- Share of women in executive positions^{3,4}
- Lost time injury frequency rate (LTIFR) per 200,000 hours worked⁴

Highly trusted company



Focus

- Compliance: Rendering our services in compliance with current legislation and in accordance with our own values
- Cybersecurity
- Respect for human rights

Measures

- Compliance-relevant trainings
- Cybersecurity skills
- Sustainable supplier relations

KPIs

- Share of valid training certificates^{3,4}
- Cybersecurity: Under development
- Audits relating to human rights

¹ In pick-up and delivery. ² Owned buildings. ³ In middle and upper management. ⁴ Management-relevant.

Alternative fuels for air transport:

By 2030 DPDHL aims to use more than 30% sustainable fuels for air freight

SAF Going Forward

Fostering Market Incentives and Ramping Up Supply

- Widespread future uptake of SAF across Europe faces challenges due to two main obstacles:
 - 1) Current cost of SAF for operators
 - 2) Current levels of supply
- **Over 370,000 flights have used SAF since 2016:** however, this only accounts for **about 0.01% of the jet fuel market**

Further industry discussions are required with the relevant authorities to explore solutions for these obstacles

SAF Going Forward: Latest SAF Announcements

DHL EXPRESS ANNOUNCES TWO OF THE LARGEST EVER SUSTAINABLE AVIATION FUEL DEALS WITH BP AND NESTE AMOUNTING TO MORE THAN 800 MILLION LITERS

Press Release: Bonn/Germany, March 21, 2022



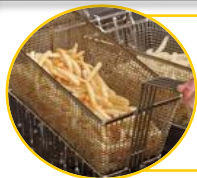
- Groundbreaking cooperation: DPDHL ordered **800 Million Liters** of SAF in the next 5 years
- This reflects in **2 Million tons reduced GHG emissions**
- **400.000 Passenger Vehicle emissions and 1000 Flights per year powered by SAF for 12 years**

Additional uptake in:

- San Francisco Airport
- Amsterdam Airport
- East Midlands Airport
- Stockholm Arlanda Airport
- Malpensa Airport

Future Outlook

SAF certified pathways to decarbonize aviation.....gradually incorporated in DPDHL operations & procurement plan



HEFA

- ✓ Technology Maturity
- < 85% Carbon Reduction



Alkohol-to-Jet (AtJ)

- X Technology Maturity
- ~ 94% Carbon Reduction



Gasification(Fischer-Tropsch)

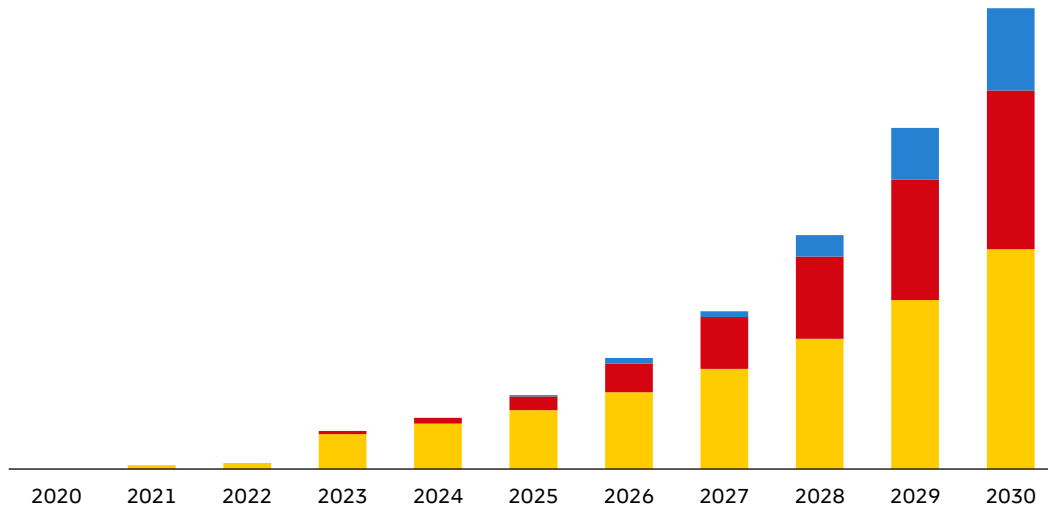
- X Technology Maturity
- ~ 94% Carbon Reduction



Power-to-Liquid (PtL)

- X Technology Maturity
- < 100% Carbon Reduction

Indicative only



Political Framework Conditions

How can we complement existing political framework conditions to boost SAF?

ReFuel EU Aviation:

- Introduce a **book & claim system** to boost the use of SAF and enable accounting of CO2 reductions for operators and customers
- Need of a **blending mandate with highest sustainability criteria** and the possibility for operators & Member States to overachieve SAF targets
- Create **funding opportunities for production sites** and support for OPEX costs for operators

EU Emissions Trading Scheme (ETS) Aviation:

- Use the revenue of **ETS allowances for SAF production & deployment** (CAPEX & OPEX support)
- Ensure **equal treatment of operators** on the same route and **avoid double counting of emissions** under EU ETS and CORSIA

Energy Taxation Directive (Kerosene Tax):

- Ensure a level-playing field: No double pricing on carbon as aviation is already paying via EU ETS

“Using SAF is currently one of the aviation industry’s key routes to reducing CO₂ emissions over the aviation fuel lifecycle with currently available aircraft types.”

Frank Appel, CEO Deutsche Post DHL Group

Contact

Barbara Achleitner MBA

Managing Director, Accountable Manager

DHL Air Austria GmbH

Tel +43 1 2530 475 7000

Mobile: +43 664 420 8728

Barbara.achleitner@dhl.com