# ESG Report





# ← → Contents

#### 3 A message from our CEO

4 Highlights

#### 5 Company profile

- 6 About GLS
- 7 Philosophy
- 8 GLS in numbers
- 9 Strategy
- 10 Materiality assessment
- 11 ESG framework
- 12 ESG governance structure
- 13 External assessment

#### 14 Environment

- 15 Environmental strategy
- 17 Climate Protect measures
- 25 Corporate carbon footprint

#### 28 Social commitment

- 29 Diversity, equity & inclusion
- 34 Health and safety
- 38 Community engagement

#### 40 Governance

- 41 Compliance
- 42 Information security
- 43 Data protection
- 44 Supply chain governance

#### 45 Appendix

- 46 About this report
- 47 Glossary
- 48 Reference to GRI
- 53 GLS entities

#### Reference key

- → Reference within the report

# A message from our CEO



To all members of our US network and wider community.

The landscape of the parcel market is going through a remarkable transformation, driven by the rapid expansion of e-commerce and the evolving needs of our customers. As we continue to grow, it is essential that we do so responsibly, with a strong focus on Environmental, Social, and Governance (ESG) principles. With this document, we aim to provide the transparency needed for you to be an active part of our ESG journey.

As a road-based transport service, GLS recognises the significant impact our operations can have on the environment. We want to continue our mission in connecting people around the world whilst protecting the environment for future generations. Therefore, we have taken decisive steps to reduce our carbon emissions and transition to sustainable practices.

Our fleet now includes more than 4,900 zero- and low-emission vehicles, representing a 48% increase from March 2023 to March 2024. We have also significantly expanded our charging infrastructure, with around 1,400 new charging points installed last year alone. These efforts are part of our wider strategy to embrace renewable energy sources, including electric heat pumps, photovoltaic systems, and battery storage technologies.

In December 2023, GLS Group made the important decision to align our carbon reduction targets with the

Science Based Targets initiative (SBTi), ensuring that our environmental goals are based on clear scientific principles. As we move forward, we are committed to setting both near- and long-term targets that reflect the urgency of the climate crisis.

At GLS, our success is intrinsically linked to the welfare of our employees, partners, and the communities we serve. With a diverse workforce of over 23,500 people in 21 countries, we understand how vital it is to nurture an environment of inclusivity, safety, and empowerment.

On a global scale, the health and safety of our employees is one of our most important priorities. We recognise that their well-being is fundamental to our ability to thrive as an organisation. At a local level, we empower our national companies to lead social initiatives tailored to the specific needs of their communities. From free parcel delivery to disaster relief and youth projects, we aim to make a tangible positive impact wherever we operate.

By prioritising environmental responsibility and the health and safety of our employees, GLS Group is well-prepared to meet the upcoming requirements of the Corporate Sustainability Reporting Directive (CSRD). But our journey toward ESG best practices is a shared effort, and we rely on the support and dedication of our partners and communities. That's why, in closing, I would like to thank each and every one of you for your interest in our 2024 ESG report. Your feedback, insights, and collaboration are invaluable as we continue to chart a course towards a more sustainable future.

Yours sincerely,

Dr. Karl Pfaff

3

# **Highlights:**

### Approaching sustainability mile by mile

These were the key stops this year.

# → 4,000+

managers and supervisors assigned to the global OHS Awareness Training.

# Local social initiatives

focused on crisis relief, free parcel delivery, youth projects and donation initiatives.

# → +81%

increase of selfgenerated electricity in calendar year 2023 in comparison to 2022, through the installation of photovoltaic systems on our buildings.

# →**1,400**

charging points have been installed during the financial year 2023/24, bringing the total number of charging points across GLS' network to more than 3,600.

<sup>1</sup> This means vehicles that during operation create either significantly lower emissions than diesel- and gasoline-powered vehicles (e.g. LPG, CNG or LNG vehicles) or no emissions (e.g. electric or hydrogen vehicles). Further, this includes parcel delivieries on foot. As of today, this is only relevant for GLS Spain.

# → **4,900**

zero- and low-emission vehicles<sup>1</sup> are operating in the GLS Group as of March 2024.

# → Committed to set SBTs

GLS has committed to setting greenhouse gas emission reduction targets in line with the Science Based Targets initiative.

### $\leftarrow \rightarrow$

4

# Company profile

GLS Group is one of the largest selfreliant parcel services providers in Europe, with a strong local presence in almost all countries across the continent. It also operates through wholly owned subsidiaries in Canada and on the USA's West Coast, all within one GLS network. This allows GLS to seamlessly connect its customers and communities with millions of parcels and stories every day, bringing together global expertise and local insights.

- 6 About GLS
- 7 Philosophy
- 8 GLS in numbers
- 9 Strategy
- 10 Materiality assessment
- 11 ESG framework
- 12 ESG governance structure
- 13 External ratings



# About GLS

### **Company history**

The company was founded in 1999 as General Logistics Systems B.V., stemming from the roots of German Parcel, which was established in 1989. Based on over 30 years of experience, GLS is characterised by its proactive approach to network management. It dynamically and flexibly connects its markets to adapt to their ever-changing nature. Operating across approximately 40 countries, the company takes pride in providing its customers with high-quality services tailored to meet the unique needs of each of them.

### **Global presence**

Headquartered in Amsterdam, GLS operates as a Besloten Vennootschap (B.V.) under the umbrella of the British firm International Distributions Services (IDS). Our direct operations span 21 countries, providing deliveries to 26 countries. Through our extensive network of strategic partnerships, we facilitate seamless connections and deliveries to 40 countries in total.

### **Products and services**

Our comprehensive suite of services encompasses B2B, B2C, and C2X parcel delivery, freight, courier, and warehousing through a network spanning more than 120 national and regional hubs and over 1,600 depots.

SENDING PARCELS Solutions to any parcel delivery needs (B2B B2C, C2X). Wide portfolio of products and services

**PICK-UP AT CLOSE PROXIMITY** Network with more than 33,000 ParcelShops all across Europe and North America

NATIONAL AND INTERNATIONAL INFRASTRUCTURE

> Network with about 120 national and reaional hubs and over 1,600 locations i

SHIPPING ACROSS THE **ENTIRE WORLD** Regular connections for national and international parcel distribution

### Local and regional operations

Through our national affiliates and regional centres, we deliver localised service solutions tailored to the unique needs of each market we serve. This infrastructure supports a wide array of services ensuring we meet the diverse needs of our senders and recipients with efficiency and reliability.

### Value chain

GLS is dedicated to ensuring that all steps, from pickup to delivery, are handled with speed, care, and attention to detail. The infographic displayed on this page illustrates this process, offering a transparent look into the journey each parcel undergoes within our network.



6

# Philosophy

At GLS, our philosophy is central to our operational ethos. It shapes our identity, anchors our culture, guides our actions, and directs us to positively impact our communities and the planet.

# What do we stand for?

- GLS Group's success is built on our focus on quality.
- Every day, GLS Group strives to provide our customers with a high quality of services.
- We are locally present, we continuously improve our network, we provide high standards in technology and security, we aim to protect our environment, and we respect differences among our employees, providing them with secure jobs.



# Reliability

Your shipment will arrive on time. A stable European network with uniform quality control.

Your shipment will arrive in good condition. **Security** High security standards and continuous monitoring. Your shipment can always be tracked. Transparency Modern IT systems, control of every process step. We will find the right solution for you. **Flexibility** Local knowledge and advice on European services. We act responsibly and are committed **Sustainability** to our employees, society and the environment.

# **GLS in numbers**





Countries where GLS operates entities

2022/23 20

2023/24 **21** 



Countries served by GLS network

2022/23 About 40

2023/24 About **40** 

National and regional hubs 2022/23 About **120** 

2023/24 About **120** 

Depots 2022/23 More than **1,600** 

2023/24 More than **1,600** 



<sup>2</sup> This also includes deliveries by foot, which is currently only relevant in Spain (approximately 200).

# Strategy

For over 35 years, we've harnessed the strength of our flexible and resilient road-based network and marketspecific approach to deliver exceptional services to our customers. In response to rapidly evolving market demands, we've developed a focused strategy that propels our continuous growth and resonates with the evolving needs of our customers. This strategy centres on three key areas:



#### Growing our core business

We are committed to reinforcing our core operations by upscaling our network capabilities, boosting productivity, and ensuring exceptional service quality. Our strategic focus has been on expanding and modernising our hubs and depots, directly supporting our growth in the Business to Customer (B2C) sector, nurturing our Business to Business (B2B) services, and developing a value proposition in Consumeer-to-Any Other Party (C2X). Integral to our network's evolution is our commitment to sustainability; we've embraced eco-friendly upgrades and invested in renewable energy solutions, such as electric heat pumps and photovoltaic systems. But most importantly, we are expanding our fleet with zero- and low-emission vehicles, from delivery vans to electric shunters, and are piloting hydrogen and electric long-haul trucks.

#### **Revolutionising last-mile delivery**

We're transforming last-mile delivery by utilising and expanding our extensive 'Out of Home' network of parcel shops and lockers, increasing convenience for customers, cutting costs, and lowering our carbon footprint. Moving forward, we are committed to expanding this successful model by investing in partnerships and acquisitions where we see promising opportunities.

#### **Building digital solutions**

We're committed to enhancing our customer relationships by expanding our digital offerings and service portfolio. This commitment is key to strengthening GLS' position in the market, offering digital and value-added services that meet our customers' needs. Our focus on digital solutions, especially our leading live-tracking technology, is transforming our operations. This technology has optimised our delivery routes, reduced stops, and improved transparency, resulting in shorter driver routes and a more sustainable, efficient last-mile delivery process. Moreover, it enhances the customer's digital experience, reinforcing our commitment to providing exceptional service.

# Materiality assessment

At GLS, we're taking a proactive stance in enhancing our sustainability efforts through regular materiality analyses. This essential process, conducted at the Group level, allows us to identify and pinpoint areas where we can make meaningful improvements while refining our ESG practices.

### **Our approach**

Our approach to assessing significant ESG topics involves engaging comprehensively with stakeholders. In 2022, we completed a materiality analysis, reaching out to all relevant stakeholders to gather input on the importance of ESG topics.

This survey, conducted in accordance with the GRI reporting principles, validated our current strategies and shed light on critical issues such as employee experience and the importance of strong governance structures. It also emphasised the significance of environmental considerations, aligning closely with our ongoing initiatives. The insights we gained have been pivotal in crafting the following ESG Framework and structuring our 2024 Report. As we prepare for reporting under the EU Corporate Sustainability Reporting Directive (CSRD), we are performing a new double materiality assessment to ensure that our ESG approach aligns with EU standards.



# ESG framework

The key areas that were identified in our 2022 materiality assessment have shaped not only our ESG framework, but also our 2024 reporting structure to ensure that the topics addressed are fully aligned with our core priorities.

<sup>3</sup> This means vehicles that during operation create either significantly lower emissions than diesel- and gasoline-powered vehicles (e.g. LPG, CNG or LNG vehicles) or no emissions (e.g. electric or hydrogen vehicles). Further, this includes parcel deliveries on foot. As of today, this is only relevant for GLS Spain.

### At GLS we care

We're conscious and considerate to parcels, people, and the planet



#### Environment

As a road-based service provider, we are aware that every parcel and its related logistics and transport processes have an impact on natural resources and cause carbon emissions. Therefore, climate and environmental protection are central components of our sustainability activities to reduce and avoid our carbon emissions.

#### **Climate Protect**

Zero- and low-emission vehicles<sup>3</sup>

**Buildings and business travel** 

**Renewable energy** 

#### **Rooted in SDGs 11 and 13**





#### Social

People

Diversity

**Rooted in** 

**3** GOOD HEALTH AND WELL-BEING

10 REDUCED

**Health & safety** 

**Community engagement** 

DECENT WORK AND

8 DECENT WORK AND ECONOMIC GROWT

SDGs 3, 8, 10 and 11

We strive to enhance the wellbeing of our stakeholders through our operations and services, ensuring our business positively impacts employees and communities alike.



#### Governance

GLS champions responsible corporate governance as a cornerstone of our long-term success, emphasising legal compliance, responsible treatment of any data entrusted to us, and ethical conduct within our Group-wide Compliance Framework.

#### Compliance

**Data protection** 

Information security

Supply chain governance

**Rooted in** SDGs 3 and 10



# ESG governance structure

To translate our ESG framework into action, our ESG management is integrated vertically, horizontally, and cross-functionally within our organisational structure.

Our dedicated Corporate ESG team sits as an umbrella function under the supervision of the Chief Compliance and Sustainability Officer. The GLS Holdings Board receives regular updates from Corporate ESG and guides their strategy and actions. Furthermore, the ESG Team provides quarterly updates to our parent company IDS.

Cross-functionally, the Corporate ESG Team plays a pivotal role in steering the company through the evolving landscape of ESG legal compliance. They provide expert advice on new regulations, oversee external ESG ratings, and respond to customers and sales requests, and monitor market trends.

Our Corporate ESG Team maintains ongoing exchanges with our corporate functions—such as Human Resources, Environmental Management, Occupational Health & Safety, and Information Security-to stay informed about their ESG-related activities, developments, and any necessary actions. While these content functions retain full responsibility for developing and implementing their ESG initiatives, our ESG team monitors, reports, and communicates the progress and impacts of these initiatives.



#### **ESG department**

Umbrella function that monitors new legislation, orchestrates related initiatives, and provides comprehensive reports on their outcomes

**Corporate functions** with Environmental responsibility

**Corporate functions** with Social responsibility

**Corporate functions** with Governance responsibility

Vertically, the ESG team empowers our country ESG Coordinators to adapt and apply these initiatives locally. These ESG Coordinators are the central ESG interface within their respective countries and are responsible for reporting, horizon scanning, and raising awareness. This multilevel ESG management ensures our sustainability commitment is consistently implemented throughout all areas of our operation.

**ESG coordinators per country** 

establish, report and raise awareness for country ESG activities

# External assessment

Building on our robust internal ESG management, we turn our focus outward to bolster our efforts through external assessments. In our dedication to advancing ESG initiatives, we actively engage in external & certifications and ratings.

This approach not only reinforces our commitment but also offers valuable insights from independent sustainability experts. Their assessments boost transparency and provide critical feedback, guiding us in the effective implementation of our ESG strategy.

# Sustainability ratings and indices



EcoVadis & <u>Silver certificate</u> was awarded to GLS in 2024, positioning them among the top 2% of rated companies in the Environmental category within the postal, courier, and freight transport industry.

#### CDP DISCLOSER 2023

GLS, as part of IDS, once again completed the & CDP rating with a "B" grade (on a scale of A to D-). The CDP rating assesses companies' progress towards environmental stewardship. The latest assessment was completed in summer 2023, responding to questions covering 2022. The answers to the questionnaire are submitted and reassessed every year.

#### S&P

S&P Global

GLS, as part of IDS has met the criteria to be featured in the & <u>S&P Global</u> Sustainability Yearbook 2024 for Corporate Sustainability Assessment (CSA). This assessment evaluates various aspects of ESG across industries. Companies listed in the Yearbook must rank within the top 15% of their industry and achieve a CSA Score within 30% of their industry's top-performing company. IDS scored in the top 10% of companies assessed, a significant accomplishment considering the increased number of companies assessed this year—9,400, up from 7,800 in the prior year.

#### **ISO 14001**



All entities operating under the GLS trademark in the EU and Serbia have gained the & ISO 14001:2015 certification for their environmental management system, certified by & DEKRA<sup>4</sup>. The certification attests that all above mentioned GLS entities have established and maintain an environmental management system. The conformity was attested with audit report no. A20011337. Our latest certificate was issued in September 2023 and will be valid until September 2026, including yearly surveillance audits.

#### EN 16258



All entities<sup>5</sup> operating under the GLS trademark have gained the EN 16528 *certification* for the establishment and maintenance of a method for the calculation and declaration of their energy consumption and greenhouse gas (GHG) emissions for transport services. The conformity was attested with audit report no. A-21011499. The latest certificate was received in December 2023 and will be valid until December 2024.

<sup>4</sup> Except GLS Italy which is certified by a local certification body.

⁵ ibid.

# Environment

Every day, GLS transports millions of parcels, and we recognise the impact of our logistics and transport processes on natural resources and emissions. That's why climate and environmental protection are integral to our sustainability efforts. The metrics and targets for these efforts are outlined in the following chapter.



- 17 Climate Protect measures
- 25 Corporate carbon footprint



# Our environmental strategy

Climate change is one of the most pressing global challenges, posing significant risks to our environment and communities. At GLS, we acknowledge our responsibility in addressing this issue and are committed to setting carbon reduction targets in line with the Science Based Targets initiative. To meet this goal, our environmental strategy, Climate Protect, is centred on minimising carbon emissions and enhancing energy and resource efficiency across all GLS countries.

### **Climate Protect**

We are actively reducing carbon emissions<sup>6</sup> from the transportation of parcel and freight shipments through the transformation of the transport fleet to zero- and low-emission vehicles<sup>7</sup>. Additionally, we are continuously aiming to improve resource consumption and energy efficiency in our hubs, depots, and offices through the implementation of modern and innovative technology and process improvements<sup>8</sup>. We take a holistic approach to these challenges and seek solutions both within our corporate boundaries and together with our business partners.

#### **Management approach**

The Corporate Environment & Climate Strategy team leads our efforts, developing our Climate Protect strategy and coordinating the Group-wide implementation. Within all GLS countries, local Environmental managers ensure these measures are adapted to national conditions, facilitating the implementation in their national entities.

#### Strategy and ambitions

Our environmental strategy, **Climate Protect**, is dedicated to actively reducing our environmental impact. Our long-term ambition is to bring our Group-wide carbon emissions<sup>9</sup> to zero by 2045<sup>10</sup>. To ensure our pathway aligns with the latest climate science, GLS Group committed in December 2023 to set near-term and long-term carbon reduction targets in line with the & <u>Science Based Targets</u> <u>initiative</u>. We aim to submit these targets and receive approval during the financial year 2024/25.<sup>11</sup>

- <sup>6</sup> We disclose our carbon emissions in carbon equivalents (CO<sub>2</sub>e), which means that other greenhouse gases (e.g. methane) are also considered. Further information in the glossary.
- <sup>7</sup> This means vehicles that during operation create either significantly lower emissions than diesel- and gasoline-powered vehicles (e.g. LPG, CNG or LNG vehicles) or no emissions (e.g. electric or hydrogen vehicles). Further, this also includes parcel deliveries on foot. As of today, this is only relevant for GLS Spain.
- <sup>8</sup> Further information and example about ongoing initiatives to reduce energy across the Group are detailed on pages 20 & 21.





- <sup>9</sup> Further information about the Scope see "Corporate Carbon Footprint" chapter on pages 25-27.
- <sup>10</sup> GLS' zero emissions by 2045 ambition is to reduce 90% of its Scope 1, 2 and 3 CO<sub>2</sub>e emissions by 2045, while offsetting the remaining 10% residual emissions through investment in certified climate protection projects. A pathway to delivering this reduction will be developed (including the setting of interim carbon reduction targets) and to base this pathway on climate science, in December 2023 GLS committed to set targets in line with the SBTi. GLS is expecting to complete the developing, submitting and approving process in line with the SBTi during the coming financial year.

<sup>11</sup> Ibid.

### Initiatives to achieve our environmental ambitions

To achieve our ambitions and reduce our carbon emissions, GLS is investing in various measures:

- Continuously increase the use of zero- and low-emission transport vehicles together with our transport partners by implementing transport modes such as electric vehicles, cargo bikes and the usage of biofuels.
- Collaborate with vehicle manufacturers, infrastructure and energy providers to foster innovation in zero- and low-emission transport and charging infrastructure in our hubs and depots.
- Maximise our use of renewable electricity by installing solar systems on the roofs of our own buildings and purchasing green electricity from renewable energy sources.
- Adapt **company car policies** and encourage our employees to replace their company cars with electric vehicles with the ambition of exchanging all GLS company cars to electric by 2030.
- Reduce and avoid carbon emissions in our buildings by converting fossil heating systems to renewable systems like electric heat pumps or wood pellets.
- Optimise our **transport network efficiency** using digital technology to optimise routes and transport distances to reduce carbon emissions. This also involves reducing last-mile emissions through the implementation of parcel lockers and other out-of-home (OOH) delivery options.
- <sup>12</sup> Based on emissions from European parcel business in relation to European parcel volumes.
- <sup>13</sup> Based on emissions from Group parcel business in relation to Group parcel volumes. This value also includes the European CO<sub>2</sub>e per parcel value.
- <sup>14</sup> This means vehicles that during operation create either significantly lower emissions than diesel- and gasoline-powered vehicles (e.g. LPG, CNG or LNG vehicles) or no emissions (e.g. electric or hydrogen vehicles). Further, this includes parcel deliveries on foot. As of today, this is only relevant for GLS Spain.



Given its role in road-based transport, GLS is well aware of its impact on the environment and climate change. We are committed to minimising our carbon footprint from last-mile and line-haul transportation as well as enhancing energy and resource efficiency across our operated sites. Environmental sustainability is a core responsibility, driving our daily operations and longterm planning until 2045.

opert Groh

Director Corporate Environment & Climate Strategy

# **GLS highlights**

Commitment to set GHG reduction targets in line with SBTi

Decreased CO<sub>2</sub>e transport emission per parcel in Europe by 7%<sup>12</sup> and worldwide by 4%<sup>13</sup> in calendar year 2023 in comparison to 2022

More than 4,900 zero- and low-emission vehicles<sup>14</sup> as of March 2024

Installation of 1,400 charging points during financial year 2023/24, bringing the total number of charging points to more than 3,600 as of March 2024

GLS' total purchased green electricity increased by 15% in calendar year 2023 in comparison to 2022

Self-generated renewable electricity increased by 81% in calendar year 2023 in comparison to 2022

# Climate Protect measures

At GLS, we approach emission reduction from various angles, empowering each country to tailor our strategy to their unique market needs. United in our commitment to achieving zero emissions<sup>15</sup>, our initiatives concentrate on three primary areas: the transport fleet, our depots, hubs and operations, and our business travel.

### Decarbonising the transportation of parcel and freight shipments

Development of zero- and low-emission vehicles

In the year 2023, 82% of GLS' carbon emissions stem from transport services, making the reduction of transport emissions crucial in achieving our decarbonisation ambitions. Hence, transitioning the last-mile and long-distance transport fleet to zero- and low-emission vehicles stands as a central measure within Climate Protect to reduce carbon emissions from parcel and freight shipments. Therefore, we continued to expand our fleet and implemented innovative solutions across our transport services, adding more electric vans, light vehicles, and alternative fuel vehicles to the delivery network.

As of the end of March 2024, **over 4,900 zero- and low-emission vehicles are in operation, marking a 48% increase since March 2023.** 

<sup>15</sup> GLS' zero emissions by 2045 ambition is to reduce 90% of its Scope 1, 2 and 3 CO<sub>2</sub>e emissions by 2045, while offsetting the remaining 10% residual emissions through investment in certified climate protection projects. A pathway to deliver this reduction will be developed (including the setting of interim carbon reduction targets) and to base this pathway on climate science, in December 2023 GLS committed to set targets in line with the SBTI. GLS is expecting to complete the developing, submitting and approving process in line with the SBTi during the coming financial year.



# Reducing last-mile emissions

With approximately 42% of our transport emissions attributed to last-mile transportation, we are dedicated to implementing measures aimed at reducing final-mile emissions and enhancing city logistics. Through the expansion of parcel lockers and other out-of-home (OOH) delivery solutions, we aim to minimise the need for multiple delivery attempts and offer greater flexibility to recipients. Furthermore, alongside OOH solutions, we continuously optimise our transport network efficiency through the application of intelligent and innovative digital technology. By streamlining routes and reducing transport distances, we not only lower carbon emissions but also enhance delivery efficiency.



#### Fiat eDucato in Germany

More than 350 Fiat eDucato vans have been introduced to the last-mile fleet through special conditions negotiated for transport partners.

#### **VW ID.Buzz in France**

GLS France promoted the VW ID.Buzz to subcontractors for inner-city logistics, achieving 70% of parcel transport by zero- and low-emission vehicles in the 18<sup>th</sup> district of Paris.

#### Growing electric fleet in Canada

Following the introduction of four electric Lion 6 trucks, now operated on the last mile in Quebec and Western Canada by Rosenau Transport, GLS Canada is continuing to implement electric vans. Recently, the Bright Drop electric van was tested in Laval and Dorval.

#### **Parcel lockers in Hungary**

GLS Hungary has already installed more than 1,760 parcel lockers and, where needed, continuously extended existing ones.

#### Micro depot in Germany

In 2023, GLS Germany opened a Micro Depot in Dresden, a joint project with SmartCity, DB, Hermes, DPD, and the city of Dresden.

#### **Quadient partnership in France**

A new partnership with Quadient provides GLS France with privileged access to their open network of parcel lockers.

### Expanding the zero- and lowemission linehaul fleet

Since approximately 58% of our transport emissions from parcel transport originated from long-distance linehaul transport, we are actively pursuing the introduction of cleaner technologies for trucks.

The decarbonisation of the linehaul fleet remains a challenge. Unlike last-mile deliveries, where a variety of different alternatives are available, long-distance linehauls are currently still heavily reliant on fossil fuels. Implementing alternatives like electric trucks for linehauls presents specific challenges, like insufficient battery ranges, a lack of public charging infrastructure or grids that can cope with the increased electricity demand. When using other technologies like hydrogen, the total cost of ownership (TCO) is high and public refuelling facilities or hydrogen are lacking. However, gaining operational experience with these alternatives is a crucial step, as we believe these technologies will be key to achieving our decarbonisation roadmap for 2045.

Therefore, we are actively testing and implementing alternative solutions like hydrogen, biofuels, and electric trucks. These technologies are currently undergoing rigorous, ongoing testing in multiple GLS countries, including Belgium, France, Spain, Germany, Poland, Denmark, the Netherlands, and the Czech Republic.

#### Electric

- Electric trucks in Canada: GLS Canada received its first Class 8 electric truck, the eCascadia from Freightliner, for operations around Montreal.
- **Electric trucks in Italy:** The first Volvo FH electric truck connects the Riano Hub with the San Lorenzo facility.



#### Alternative fuels

 Biofuel vehicles: GLS Germany operates six trucks and 22 vans with biofuel HVO (Hydrogenated Vegetable Oil). Further tests of HVO100<sup>16</sup> have started in GLS Spain and Italy. With HVO100 the carbon emissions can be reduced by up to 90% compared to regular diesel fuel.





#### Hydrogen

• First hydrogen truck in Germany:

The Hyundai Xcient Fuel Cell truck is used for linehaul operations and customer pick-up and delivery in the Cologne-Bonn area.

<sup>&</sup>lt;sup>16</sup> HVO100 A distinction is made based on the purity of the alternative fuel. E.g., HVO100 consists of 100% HVO, whereas HVO50 consists of 50% HVO and 50% Diesel fuel.

### Hub & depot operations

Our buildings are more than just workplaces; they are a key component of our commitment to reducing CO<sub>3</sub>e emissions and mitigating our environmental impact. We encourage sustainability measures for all new constructions and continually enhance existing buildings. Measures include installing photovoltaic systems to produce renewable electricity, converting fossil heating systems to electric heat pumps and implementing zero- and low-emission solutions for shunting operations.

### **Renewable electricity**

As part of our environmental strategy Climate Protect, we established an 80% target for the use of renewable electricity at GLS-operated sites in Europe. Since 2022, we have achieved this target with **more than 80% of** GLS operated sites in Europe using green electricity. Notably, five countries (Austria, Germany, Spain, Finland, and the Netherlands) are exclusively utilising renewable electricity.

Furthermore, we are dedicated to generating electricity within our own locations by installing photovoltaic systems on our depots. This enabled us to increase the self-generated electricity by 81% in 2023 in comparison to the previous year.



### Charging infrastructure

In 2023/24, we installed approximately 1,400 new charging points, bringing the total number of charging points across the GLS network to over 3,600. This expansion is in direct support of the increasing number of electric vehicles within the transport fleet and ensures our depots are fully equipped for future fleet electrification.

(as of end of March of each year)



2022	2023	2024
1,000	2,200	3,600

#### **Climate Protect measures**

#### **Examples of building updates**

#### **GLS Spain**

In March 2023, we opened a new hub in Madrid which has been awarded a "Very Good" rating for sustainable construction by & <u>BREEAM</u>. The hub includes over 25 charging points, a 1,195 kWp photovoltaic system starting from June 2024, energy-efficient lighting, motion detectors, and water consumption control instruments. Annual energy audits are conducted to detect excessive consumption or system malfunctions.

#### **GLS** Germany

A new depot in Potsdam features a roof equipped with a photovoltaic system that supplies electricity to 70 charging points. Additionally, rainwater is collected on-site for watering purposes.

#### **GLS Denmark**

The heating system at the depot in Horsens has been upgraded with a heat pump for increased efficiency.

#### **GLS** Poland

Over the past year, GLS Poland has doubled the number of charging points, now available at 22 different locations. Additionally, renewable electricity production has been enhanced in nine depots with new and upgraded 50 kWp photovoltaic systems.

#### **GLS Germany**

Over the past year, GLS Germany has installed more than 500 charging points to support the growing fleet of electric vehicles.

#### **GLS France**

We have established a partnership with ABB E-mobility to provide employees and transport partners with on-site charging stations.

#### **GLS** Ireland

The new depot is equipped with a 6.5 kW photovoltaic system, a heat pump, rainwater harvesting, LED lighting and 14 electric charging stations.

#### **GLS Netherlands**

A new depot was opened in Drachten. The depot is equipped with a heat pump, has a 282 kWp photovoltaic system and 16 electric vehicle charging points.



### **Business travel**

As an international logistics company, GLS operates numerous hubs, depots, and offices across Europe and North America. We prioritise keeping our employees connected through online meetings and virtual teamwork tools. However, we recognize the importance of face-to-face interactions, especially for our sales colleagues. In response to the environmental impact of our travel activities, we are committed to reducing business travel whenever feasible. Additionally, we prioritize the use of electric company cars for essential travel.

#### Air travel

While we aim to minimise business travel whenever feasible, we recognise its necessity on certain occasions. The impact of COVID-19 travel restrictions led to a significant decrease in our business travel during the 2021/22 period. However, with restrictions now eased and our operations steadily returning to normal, we have observed an increase in business travel.

Calendar year	Number of flights <sup>17</sup>
2022	4,188
2023	4,390

<sup>17</sup> One-way business travel including national, international, and intercontinental flights

#### **Business travel insights**



#### **Company cars**

As of the end of March 2024, the share of electric company cars in Europe has reached above 20%. Including ordered vehicles it will rise to above 30%. To put this into perspective, we almost tripled the share of full battery electric company cars since March 2023.



#### **Country examples**

GLS Belgium has achieved a milestone as the first country with a share of more than 50% of electric company cars.

GLS Poland has expanded its company car fleet with the addition of 24 Megan E-Tech vehicles.



Policy change

Other GLS countries such as GLS Germany, GLS Italy, GLS Ireland, and GLS Netherlands have updated their company car policies to mandate full battery electric vehicles.

# Climate protection projects

In addition to reducing our own carbon emissions, we also invest in climate protection projects outside our own supply chain. Although these projects do not have an impact on our own corporate carbon footprint, they contribute positively to global climate efforts.

The climate protection projects supported by GLS protect the rainforest from deforestation in Peru and Brazil and promote the expansion of renewable energy through wind and solar in India. These projects make an important contribution in several dimensions, as they preserve biodiversity, expand local infrastructure and create employment opportunities. In addition, each project contributes to the Sustainable Development Goals.

In 2023, GLS worked with & <u>ClimatePartner GmbH</u> (Munich, Germany) on multiple certified climate protection projects to voluntarily offset emissions from the transportation of parcels and freight shipments, as well as buildings and business travel by companies operating under the GLS trademark in the EU.<sup>18</sup>

### Way forward

Since the beginning of our compensation program, we have always seen compensation as a valuable complementary measure in our commitment to addressing the climate crisis, understanding that cooperation on multiple fronts, both within our own supply chain and beyond, is essential. This is especially important, when there is a lack of suitable technologies to decarbonise own carbon emissions, such as those from linehaul.

However, our primary focus has consistently been on avoiding and reducing our own emissions. With our pledge to establish carbon emission reduction-targets aligned with the Science Based Targets initiative, we are further strengthening this focus. This entails shifting our resources and efforts even more towards targeted emission reduction measures of our own and using the increasingly advanced technologies to decarbonise our business.

As a result, we have decided to revise our compensation approach. Therefore, the companies in the following countries, operating under the GLS trademark, will continue in the carbon compensation programme in 2024: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Portugal, Slovenia, and Spain. For more details on our carbon offsetting initiatives and the latest information, please visit & <u>GLS Carbon Offsetting</u>.



<sup>18</sup> Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Portugal, Slovenia, Spain, Poland, the Czech Republic, Hungary, Romania, Slovakia, Croatia.

## **Climate protection projects invested in by GLS in 2023**

Project region and country	Project type	Certification standard	Project description
∂ <mark>Madre de Dios, Peru</mark>	Forest protection	Verified Carbon Standard (VCS) <sup>19</sup> , CCBS Gold Level	Madre de Dios is an area of the Peruvian Amazon with some of the highest biodiversity in the world. It is also under threat from the Transamazônica road project and deforestation for agriculture. We support a project that protects an area of 100,000 hectares while working with the local population to help manage the land sustainably.
♂ Pacajá, Brazil	Forest protection	Verified Carbon Standard, CCBS	The project in the Brazilian Amazon covers an area of 148,000 hectares. To avoid the deforestation of native forests, the pro- ject promotes and supports the native population in using sustainable agroforestry techniques and provides them with land use rights for their contribution to nature conservation. In addition, villagers are trained as monitoring personnel working in patrol teams to ensure the project area is monitored.
∂ <mark>Bhadla, India</mark>	Solar energy	Gold Standard <sup>20</sup> VER (GS VER)	By generating 832,550 MWh of electricity each year from solar energy, the GS VER-certified project contributes to increasing the share of renewable energy in India's electricity mix and improves the national energy supply. It further supports infrastruc- ture development in the region, as roads are expanded and improved. This project creates permanent jobs with an above-aver- age income in the region.
∂ <mark>Jodhpur, India</mark>	Solar energy	Gold Standard VER	Jodhpur, in the Indian state of Rajasthan, is a growing city of over 1.5 million people. Due to its desert location, it's well-placed to provide its industries electricity through solar power. To construct and operate a solar park, however, it needed additional support from companies like GLS. The project built a solar plant that covers 140 hectares of land and supplies 416,000 megawatt-hours of clean energy to the grid annually. As a result, 408,420 tonnes of CO <sub>2</sub> are saved each year.
♂ <mark>Gadhsisa, India</mark>	Wind energy	Gold Standard VER	This project generates energy with 143 wind turbines, which corresponds to a total capacity of 300 MW. It contributes to cli- mate protection by generating the same amount of energy that would have otherwise been produced by fossil fuel power plants. In addition, the region's sustainable development is supported through the creation of jobs in conjunction with training and the promotion of education, such as the opportunity for students to attend local schools.
<i>P</i> Naranpar, India	Wind energy	Gold Standard VER	120 wind turbines with a total installed capacity of 252 MW generate 556,508 MWh per year for the Indian energy grid. This amount of electricity would otherwise have been produced using fossil fuels. This increases the power supply, helping to close the region's energy gap. Furthermore, the wind power project promotes sustainable development through new long-term employment opportunities, combined with various training sessions for all employees.
<sup>19</sup> Verified Carbon Standard (VCS), CCBS G	iold Level: The Verified Carbon	Standard (VCS) is a program that sets	<sup>20</sup> Gold Standard VER (GS VER): The Gold Standard VER (Voluntary Emission Reduction) is a

standards for certifying carbon emissions reduction projects. The Climate, Community & Biodiversity Standards (CCBS) Gold Level ensures projects deliver strong environmental and social benefits. For more information, visit the & VCS website and the & CCBS website.

certification for projects that reduce carbon emissions and promote sustainable development. It ensures that projects contribute to the well-being of local communities and the

environment. For more information, visit the & Gold Standard website.

# Corporate carbon footprint

### **Emission calculation**

Responsible resource use and emission reduction are fundamental priorities of our environmental efforts and our strategy.

To keep track of developments and identify areas for improvement, we must accurately measure the environmental impact of our activities. We consistently measure our impact through the annual corporate carbon footprint which quantifies the amount of carbon emissions generated by GLS<sup>21</sup> over the course of the calendar year. Through our corporate carbon footprint analysis, we monitor our Group-wide resource consumption and calculate associated emissions.

#### Well-to-wheel explained



We report our carbon emissions Group-wide in accordance with the  $\mathscr{O}$  <u>Greenhouse Gas Protocol</u> (GHG Protocol). At GLS, we include Scope 1, 2, and 3 emissions<sup>22</sup> in our calculation. Our emissions are calculated on a Well-to-Wheel (WTW) basis, meaning we consider the full life cycle, from fuel generation to its actual use. We disclose our emissions in carbon equivalents (CO<sub>2</sub>e), which means that other greenhouse gases (e.g. methane) are also considered. A detailed overview of our Scope 1, 2 and 3 categories and our reporting approach is available in the  $\mathscr{O}$  basis of reporting.

Given that transport activities account for 82% of our total corporate carbon footprint, they have the most significant impact on our emissions. Therefore, we place particular importance on the professional and reliable calculation of our transport emissions. Our calculation is based on and certified following the EN 16258 standard for all national companies operating under the GLS trademark<sup>23</sup>, ensuring precision and transparency in how we measure and manage our transport emissions.

- <sup>21</sup> Not included are CO<sub>2</sub>e emissions from recent M&A activities, the purchase of Versandmanufaktur GmbH (Germany) and Altimax (Canada). These will be included in the reporting of 2024 CO<sub>2</sub>e emissions.
- <sup>22</sup> GLS reports emissions related to its subcontracted transport fleet (Europe and part of North America) within Scope 3 and its own transport fleet (most of North America) within Scope 1. Scope 3 emissions are all indirect emissions (not included in Scope 2) that occur in the value chain of GLS including both upstream and downstream emissions. Further details about the basis of reporting are available at *a* <u>https://gls-group.com/GROUP/</u> media/downloads/gls-2022-23-reporting-criteria.pdf.
- <sup>23</sup> This also includes Rosenau and excludes GLS Serbia.

#### Scope 1

Direct emissions from sources owned or controlled by GLS, including the combustion of fuel and operation of facilities. This also includes emissions from our own transport fleet (most of North America).



#### Scope 2

Indirect emissions from the consumption of purchased electricity, heat, steam, and cooling for own use.



#### Scope 3

All other indirect emissions that occur in GLS's value chain, including those related to our subcontracted transport fleet (Europe and part of North America).



# Carbon emissions performance

Our corporate carbon footprint, along with our corporate transport emissions per parcel, demonstrates the progress achieved through the implementation of GLS' strategy and reflects both environmental and business developments.

Compared to 2022, in 2023 we reduced the CO<sub>2</sub>e transport emissions per parcel by 7% in Europe<sup>25</sup> and 4% worldwide<sup>26</sup>. Nevertheless, due to rapid business growth, additional investments and non-recurring effects, we have seen an increase in our absolute carbon emissions. Let's take a closer look at the results.

#### Carbon emissions per parcel

This figure represents the relative development of transport emissions from local traffic and linehaul operations in comparison to the parcels transported within our network. Since 82% of GLS's carbon emissions stem from transport services, reducing these emissions is crucial for achieving our decarbonisation goals. In 2023, we **reduced the CO**<sub>2</sub>**e transport emissions per parcel by 7% in Europe**<sup>25</sup> **and 4% worldwide**<sup>26</sup> compared to 2022. This result shows the success of GLS' collaboration with its transport service providers, as the reduction is mainly driven by the implementation of zero- and low-emission vehicles. As of March 2024, **4,900 zero- and low-emission transport vehicles** are in operation for GLS Group, a **48% increase** since 2023. Additionally, innovative route optimisation tools and expanded OOH delivery options have helped decrease transport distances and carbon emissions.

#### **Absolute carbon emissions**

Compared to 2022, we increased investments in tangible assets to enhance operational capacities, purchase new conveyor belts, modernise buildings, expand our parcel locker infrastructure, and more. These investments led to a 32% rise in emissions from capital goods, now accounting for 13% of GLS' total carbon footprint. Furthermore, our market entry into Serbia has had an impact on our carbon footprint, and in North America<sup>27</sup>, methodological adjustments led to a 22% rise in reported transport emissions.<sup>28</sup> Taking these factors into account, GLS' total market-based<sup>29</sup>

Carbon emissions performance CO<sub>2</sub>e ('000 tonnes)<sup>24</sup>

	Scope 1	Scope 2 (market-based)	Scope 2 (location-based)	Scope 3	<b>Total</b> (market-based)
2022	93.4	5.5	21.5	1,136.6	1,235.5
2023	109.8	5.3	24.5	1,188.1	1,303.2

carbon footprint in 2023 was **1,303.2 KtCO<sub>2</sub>e**, representing an increase of absolute emissions by 5.5%.

However, excluding these non-recurring changes and investments and comparing it **on a like-for-like basis** with the previous year, **GLS' 2023 absolute market-based emissions decreased by 0.5%, despite a growth of 4.7% in business and revenue<sup>30</sup>.** 

#### Outlook

GLS recognises its responsibility for carbon emissions and the unique challenges within the transport sector. Therefore, we will further intensify our decarbonisation efforts in the coming year and have already committed in December 2023 to setting near- and longterm carbon reduction targets in line with the Science Based Targets initiative

- <sup>24</sup> GLS' emission data reflects the calendar year rather than the financial year. A detailed description of the Scope 1, 2 and 3 calculation methodology is available at & <u>https://gls-group.com/GROUP/media/downloads/</u> <u>gls-2022-23-reporting-criteria.pdf</u>. Not included are CO<sub>2</sub>e emissions from recent M&A activities, the purchase of Versandmanufaktur GmbH (Germany) and Altimax (Canada). These will be included in the reporting of 2024 CO2e emissions.
- <sup>25</sup> Based on emissions from European parcel business in relation to European parcel volumes.
- <sup>26</sup> Based on emissions from Group parcel business in relation to Group parcel volumes. This value also includes the European CO<sub>2</sub>e per parcel value.
- <sup>27</sup> North America includes GLS US, GLS Canada and Rosenau.
- <sup>28</sup> Methodological adjustments for more accurate data collection of owned vehicles and updates to prior year third-party fleet inventory data for GLS US resulted in a 22% increase in transport emissions (Scope 1 for owned vehicles and Scope 3 for third-party transport services) compared to the previous year.
- <sup>29</sup> Location-based method is "a method to quantify Scope 2 GHG emissions based on average energy generation emission factors for defined locations, including local, subnational, or national boundaries," *∂* (World Resource Institute, 2015) whereas the market-based method is "a method to quantify Scope 2 GHG emissions based on GHG emissions emitted by the generators from which the report contractually purchases electricity bundled with instruments, or unbundled instruments on their own."
- <sup>30</sup> GLS emissions data reflects the calendar year, while the revenue growth reflects the financial year.

# A detailed look into our CO2e emissions

Now that we understand our overall emission performance, let's take a closer look at our scope differentiation in depth. The following infographic provides an overview of our 2023 emissions per scope<sup>31</sup>.



2023



#### Scope 1 & 2 carbon emissions

A large proportion of our Scope 1 and 2 emissions stem from transport emissions of our own fleet, which we operate in GLS North America. The remaining Scope 1 and 2 emissions come from the operation of GLS locations. This includes on-site vehicles like shunters, but also the heating and cooling of our buildings. However, with the implementation of efficiency measures and heating modernizations, we were able to **reduce heating emissions by 10.5%** compared to the calendar year 2022.

- Scope 1 & 2 GLS buildings & company cars
- Scope 1 GLS-owned transport vehicles
- Scope 3 Linehaul
- Scope 3 Pick-up & delivery
- Scope 3 Capital goods
- Scope 3 Other

#### **Scope 3 carbon emissions**

Due to our business model and the fact that we primarily work with transport partners, a large part of the transport emissions is allocated to Scope 3. Those account for the majority of Scope 3 emissions, but also of our total corporate carbon footprint. As a steadily growing company, our second-largest source of Scope 3 emissions is capital goods, which include all upstream emissions from the production of our tangible investment goods. The remaining Scope 3 emissions include, for example, employee commuting, our franchises and business travel with vehicles that do not belong to GLS, such as business air travel.

<sup>31</sup> Further details about the basis of reporting are available at & https://gls-group.com/GROUP/media/downloads/gls-2022-23-reporting-criteria.pdf

# Social commitment

With a team of over 23,500 colleagues from diverse backgrounds and a network spanning over 40 countries, we strive to fulfil our duties as an inclusive employer and reliable business ally, actively contributing to the communities we serve.

- 29 Diversity, equity & inclusion
- 34 Health and safety
- 38 Community engagement



# Diversity, equity, and inclusion

Our workforce of over 23,500 employees reflects the diversity and scale of GLS' operations. Approximately 26% of these employees handle commercial tasks, while the remaining 74% are essential to operational areas such as our depots. To manage this diverse group effectively, our Corporate HR Team develops strategies at the Group level, while local HR teams in each country address specific local needs.

# **Our DEI ambition**

We strive to be the employer of choice, creating a workplace that values and empowers everyone. Committed to providing equal opportunities without discrimination based on race, gender, age, or sexual orientation, we are dedicated to celebrating the unique backgrounds and circumstances of our team.

# Our diversity commitment

To support this vision, GLS is committed to:

- **Cultivating an inclusive environment** in which every team member feels their contributions are valued, ensuring fair treatment, respect, and a sense of community.
- **Ensuring equal opportunities** providing access to training, development paths, and advancement opportunities without bias.
- Actively recruiting **open-minded employees** from diverse backgrounds to enrich our collective perspective and drive innovation.
- Encourage cross-function and cross-country collaboration to better value employees' diverse backgrounds and experiences.



We are committed to putting people first and building a culture of caring and collaboration. We believe that embracing diversity, equity, and inclusion isn't just a goal; it's at the core of who we are. When every voice is heard and every individual is valued, our collective strength knows no bounds.

Andrea Eckhardt

Head of GLS Group HR

### Equity

Acknowledging the historical male dominance in the logistics sector, we are committed to fostering change.

Over the past years, we have taken a top-down approach to this issue, focusing on ensuring that women are represented at the management levels. As of the financial year 2023/24, this approach has resulted in progress, with women now holding approximately 19% of leadership roles in operational areas and 33% in administrative positions at GLS.

While we are happy to see these positive developments, particularly among senior leaders, we recognise the need for continued progress across all levels of the organisation. We remain dedicated to empowering and championing women's success, especially in areas like operational logistics where they have been historically underrepresented.

### Embracing flexible work models

Responding to the evolving work landscape, we're supporting flexible work arrangements beyond the pandemic era. Our commitment to supporting employees in balancing professional and caregiving responsibilities remains unwavering. We've invested significantly in enhancing our IT infrastructure, ensuring seamless access to remote work tools, and fostering team connectivity through various communication platforms.

## **Equity in action**

Gender equity in action: GLS Germany's Girls' and Boys' Day event at its Neuenstein HQ provided young adults with insights into diverse logistics careers, promoting gender-neutral career choices and expanding professional horizons. By challenging gender stereotypes and fostering inclusivity, GLS aims to advance gender equality in the logistics sector.

## Employees by management level and gender

Management level	FY 2021/22 (%)		FY2022/23 (%)		FY 2023/24 (%)	
	Q	<b>N</b>	Q	ď	Q	ď
Senior management	13%	87%	15%	85%	16%	84%
Management	24%	76%	26%	74%	26%	74%
Other employees: operational	24%	76%	24%	76%	23%	77%
Other employees: administrative	55%	45%	56%	44%	55%	45%

### **Inclusion and diversity**

At GLS, our team comprises individuals from diverse cultural backgrounds, age groups, and varying abilities, enriching our work environment with a wide range of perspectives and experiences. Inclusion isn't just a feature for us; it's a fundamental aspect of our daily operations. Recognising that each of our locations has specific needs and unique cultural compositions, we prioritise inclusion initiatives at the country or depot level.

# Supporting employees with disabilities

GLS Spain collaborates with around 600 agencies, including 14 Special Employment Centres, championing the integration of individuals with disabilities. Their commitment includes early support and fostering an environment of trust, ensuring equal opportunities for all employees.



### **Training and development**

We firmly believe that continuous learning and active engagement of every team member are key to success in the Courier, Express, and Parcel sector. At the group level, we are committed to nurturing future leadership through the expansion of our Better Manager online coaching program. This program is designed to enhance and deepen managerial competencies comprehensively. It includes tailored activities such as:

- **Personalised sessions:** Confidential one-on-one sessions aimed at analysing and enhancing the managerial skills of each participant.
- **360° feedback:** This involves a comprehensive survey among managers, peers, and direct reports to foster a greater understanding of each manager's strengths and areas for improvement.
- **Career path planning:** Clear guidelines on best practices and career objectives ensure that every manager has a strong framework for professional growth.

# Employee well-being and inclusion highlights:

#### France - inclusion recognition

GLS France achieved a France Equality Index rating of 93/100, a notable 8 points above the sector average.

#### Denmark - well-being survey

The God Arbejdslyst Indeks conducted a 2023 spring survey with 920+ responses, maintaining a strong 78/100 score. The Employee Net Promoter Score (eNPS) rose to 33, up from 32.

#### Poland - "Great Place to Work"

GLS Poland earned the "Great Place to Work" certification in 2024 with 78% approval, up from 75% in 2023.

#### Local approach

Our national subsidiaries are empowered to tailor employee development initiatives to meet local needs effectively. For instance, GLS France has introduced a specialised program called "Common Working Culture," driven by four core principles: being demanding, taking care of people, being kind, and avoiding complacency.

#### New beginnings with GLS

To ensure a warm welcome and seamless integration into our culture, we've implemented dedicated onboarding programs across our national subsidiaries. For example, GLS Denmark hosts "GLS Learning Days," a two-day event that brings together new fulltime employees at GLS Denmark headquarters for a thorough orientation and networking. Similarly, GLS Austria's innovative onboarding program pairs new joiners with seasoned mentors, trained by external HR consultants, to guide them from day one.

#### Workforce age profile<sup>32</sup>

Age group	Percentage
Under 30 years old	25%
30-50 years old	46%
Over 50 years old	29%

<sup>32</sup> Figures reflect the composition as of March 31, 2024.



# Interview Creating inclusive opportunities

Meet Carolina: With 23 years of experience in social and labour inclusion, Carolina leads the GLS Spain-ONCE Foundation partnership. She focuses on directly employing people with disabilities across all company areas and supporting indirect employment through Special Employment Centres.

# How have your experiences shaped your approach to recruiting and advocating for people with disabilities at GLS Spain?

My personal and professional experiences with disability have shaped my beliefs and values, allowing me to view it as a normal aspect of life. At GLS Spain, we aim to adopt this mindset, highlighting capabilities over limitations and striving to eliminate prejudices and stereotypes.

# What does your work towards creating an inclusive environment mean to you?

Pride. I feel proud to be part of this great project of diversity and inclusion at GLS Spain and to contribute my bit to achieve it. In our agency network, we have several examples of good practices in diversity and inclusion, showing it is possible to have inclusive teams with almost 100% of employees having some type of disability. These success stories guide us on our path to diversity. It is exciting to be part of this social improvement.

# Looking to the future, what do you hope to achieve through your work in the Diversity Department at GLS Spain?

I hope to lead this change and make us a benchmark in inclusion, as we already are in other areas of the company. I want to spread my ideals and enthusiasm for this project to become the diverse company we aspire to be.

# Is there anything else you would like to add or any final thoughts you'd like to share?

On my first day at GLS Spain, I received an agenda with the phrase, "No one can do everything, but everyone can do something." It resonated with me because it defines disability perfectly. Disability is just one trait; it doesn't define a person. Our hiring approach should focus on capabilities and suitability for the job, ensuring everyone can contribute meaningfully.



# Interview Empowering colleagues through training

Meet Aylin, who started scanning parcels in our Essen Depot and swiftly identified areas for training process improvement. Today, she actively supports Health & Safety initiatives and operational improvements, fuelled by her proactive problem-solving approach.

#### Can you tell us about your journey at GLS?

When the depot was newly opened, I began as a scanner. Right from the start, I felt good and enjoyed coming to work. During a conversation with management, I brought forth my ideas and suggestions, noting the mistakes I noticed while scanning, and proposed creating a training manual. That's how everything started.

#### How do you approach training initiatives?

The training programs I'm working on are specifically designed to introduce new employees to our company culture and processes, as well as to continuously educate existing employees. They consist of a mix of presentations, interactive workshops, group discussions, e-learning modules, and practical exercises.

#### Can you highlight some milestones?

A significant milestone was overcoming the language barrier. I created training materials in multiple languages and collaborated with native speakers as translators to ensure understanding among all team members. This effort promotes intercultural competence, enhance communication, and fosters a diverse work environment. Ultimately, this contributes to improving team performance and the work atmosphere.

#### What motivates you?

Creating and implementing my training manual was a significant challenge but also very fulfilling. Now, seeing how my colleagues collaborate and help each other by pointing out mistakes brings me joy. I want to emphasize to new employees the importance and rewards of continuous learning and development. Training allows them to not only expand their professional knowledge but also improve personally, helping them reach their full potential and build rewarding careers.

# Health and safety

### **Our approach**

Our organisation's ability to thrive is closely linked to the well-being of our employees. Ensuring their health and safety isn't just a policy; it's a core part of our culture. The foundation of our health and safety initiative is the corporate Occupational Health & Safety (OHS) directive, rooted in identifying risks and preventing accidents. The applicable legal standards for OHS are those in force in the respective member countries. Based on these standards and applicable local legislation, the subsidiaries develop their own OHS systems. This ensures that all subsidiaries comply with the safety standards set by GLS, while taking country-specific requirements into account.

# Our safety objective

Our objective is clear: minimise work-related accidents and foster a culture of health and safety awareness throughout GLS. We achieve this through proactive communication of our OHS policy to all our employees. We further use comprehensive training, and continuous education about workplace hazards, ensuring every employee, from our CEO to our warehouse staff, is equipped with the knowledge and tools to work safely.

# Coverage and commitment

Health & safety management at GLS Group encompasses all employees, including those on temporary and contract arrangements. Coverage extends to all work areas within GLS facilities, though road transport activities fall outside this scope in most locations.

# Health and safety highlights

### **Over 4,000**

managers and supervisors have been assigned the global OHS Awareness Training.

### **Over 100,000**

printed pieces of visual campaign material rolled out during the "Safety starts with you" campaign.



Logistics is a business that cannot be fully automated. This means that our employees are right in the middle of the action every day. This presents hazards that must be countered with attention, expertise and appropriately structured measures. This is where occupational safety comes in. Without well-functioning occupational health and safety, our business would be unthinkable.

Adolf-Werner Hardt

Director Corporate Security & Occupational Health & Safety

### **Evaluation**

Our approach to managing health and safety is assessed through industry-standard metrics like the Lost Time Accident Frequency Rate (LTAFR), which tracks the frequency of work-related injuries. To discuss operational topics, including health and safety metrics, all our country organisations conduct regular Performance Review meetings with the GLS Holdings Board. Audits by both the Corporate Occupational Health & Safety and the country Health & Safety departments help us gauge the effectiveness of our safety measures.

### **Employee involvement**

We are committed to ensuring that every GLS team member has a voice in our health and safety initiatives. Mechanisms such as suggestion forms, well-being surveys and sounding boards enable employees to express their ideas and concerns, with direct influence on management actions and decisions.

### **Accidents**

Our OHS team particularly concentrates on enhancing safety in offices and depots, with a special emphasis on warehouses, where the highest number of work-related accidents occur. Given the nature of our business, many incidents arise in areas involving physical handling, especially manual lifting and carrying. Our approach involves actively engaging employees and their representatives to ensure consistently high safety standards across all GLS locations. Through meticulous reporting and ongoing job hazard assessments and risk evaluations, we we continuously enhance and update our safety protocols to better protect our team.

Metric <sup>33</sup>	2022/23	2023/24
Fatalities	0	0
LTAFR (per 100,000 hours worked)	2.08	1.98
Sickness absence <sup>34</sup>	4.88%	4.73%

<sup>33</sup> Refers to direct employees only.

<sup>34</sup> The sickness absence rate is the percentage of working hours lost because of sickness.

### Meet the faces of safety: our OHS characters

In a creative twist to make health and safety more relatable, we've introduced six characters that have quickly become the iconic symbols of our commitment to a safe workplace. Named by our teams from countries far and wide, these characters embody the rich diversity of our team.



### **Training and awareness**

Our OHS Team prioritises education to keep all GLS team members aware of workplace hazards and safety practices through essential training and specialised sessions, including safety guidance for the drivers of our transport partners on road safety. Our key initiative, the "Safety starts with you" campaign, utilises interactive methods such as QR-coded posters leading to a gamified website for identifying safety hazards and providing practical safety tips, available in several languages. Now in its fifth iteration, this campaign reached over 100,000 touchpoints through posters, digital content, and other resources, demonstrating our commitment to a culture of safety and continuous learning.

#### Campaign : Safety starts with you



### Driver safety training update

Even though most drivers are employees of our transport partners and not GLS employees, to support our transport partners in ensuring their safety is a top priority for us. To also reach drivers employed by GLS transport partners, GLS has developed specific initiatives within its OHS Programme, including providing training material for transport partners and their drivers in line with local legal requirements. Furthermore, GLS encourages and supports transport partner companies to make practical road safety trainings available for their drivers.


### Health and safety initiatives

#### **Crash test simulations**

To promote awareness regarding the significance of seatbelt usage, GLS France organized approximately 10 events focused on this subject. These events featured simulators with a 360° axis of rotation, replicating the motions experienced in real accidents.



#### **Toolbox videos**

GLS Netherlands has converted various toolbox presentations into voiceless and textless videos. A toolbox is a presentation on a safety topic, for example about working safely in a trailer. These toolbox videos have been published online and are also linked to a QR code that we distribute at our locations. Easily accessible and understandable for everyone!



#### **Awareness sessions**

GLS Spain conducted road safety awareness sessions with an NGO created by and for traffic victims, with the objective of raising awareness in following security measures to avoid serious accidents.



#### **#GLSBewegt**

GLS Austria initiated a workplace health promotion project to improve employee health. With a large employee survey and targeted workshops at locations throughout the country, the analysis of current working conditions began. Over the coming months, we will be working on many projects to ensure that working with us becomes increasingly healthier! In parallel, we initiated a sports project called #GLSBewegt, where our colleagues engaged in friendly competition in sports activities - the winning team was recognised and received an award.



## Community engagement

At GLS, our approach to community engagement is grounded in the belief that our local subsidiaries are best equipped to understand their communities' needs. This understanding guides our commitment to empowering each national subsidiary to lead its own social initiatives. Our decentralised strategy ensures that our efforts address the most pressing local challenges and opportunities and thereby have the strongest impact. This tailored approach not only enhances our ability to give back effectively but also strengthens community ties, making GLS a trusted and integral part of the communities we serve.

## Free parcel delivery

#### Support for health services

GLS Spain facilitates free parcel delivery to Sant Joan de Déu Hospital, aiding childhood cancer initiatives, and supports Ukrainian refugees by coordinating deliveries of essential supplies to the Poland border.

#### Danish Childhood Cancer Foundation support

GLS Denmark proudly partners with the Danish Childhood Cancer Foundation and "& <u>Grib Bolden</u>" campaign. Together, they've delivered 7,000 specially designed footballs to donors, contributing to a remarkable €190,000 raised for the foundation.

#### **Bio-lunch-box campaign**

GLS Germany supported the Bio-Lunch-Box initiative, providing healthy, sustainable lunches to 7,800 first graders in Frankfurt. The lunch boxes, made from 75% renewable materials, were delivered via GLS's fleet of e-transporters, promoting environmental education from an early age.







### **Crisis relief**

#### Emilia Romagna flooding fundraising

GLS Italy organised a fundraising initiative for employees affected by the May 2023 flooding in the Emilia Romagna region, raising €85,000 to support severe home damage recovery efforts.

#### **Earthquake relief efforts**

GLS Germany responded promptly to the earthquake disaster in southeastern Turkey and Syria in February 2023, organising relief transports and raising funds.

## **Donation initiatives**

#### **Blood donation**

GLS Hungary organizes blood donations twice a year, in spring and autumn. 47 workers donated blood on 10 October 2023. The team was proud that they stuck together and helped people who really needed it.

#### **Toy donation drive**

GLS Ireland organized a successful donation drive last Christmas, delivering toys to Crumlin Children's Hospital in Dublin. The initiative involved filling a van with toys donated by GLS staff and delivering them to the hospital the week before Christmas.



## **Youth projects**

#### Youth sports support:

GLS Finland extended its support to the local youth football team, FC TPS 2012, enabling participation in international tournaments, bolstering their engagement in sports.

## Governance

Responsible corporate governance is essential for our long-term business success. This ensures the trust placed in us by our stakeholders is continuously earned through our integrity and reliable service.



- 41 Compliance
- 42 Information security
- 43 Data protection
- 44 Supply chain governance

## Compliance

GLS is committed to fair competition, integrity, and responsible business practices. We have a strict zero tolerance policy on corruption. Together with our mother company IDS plc, we join in the fight against all forms of forced labour and modern slavery. To ensure that our high compliance standards are upheld in all parts of our business, we have implemented a Groupwide Compliance Framework.

#### **Compliance leadership**

Compliance managers across all GLS locations offer support to their organizations. At the core, our central Corporate Compliance team is dedicated to the ongoing development and enhancement of our Compliance Framework. They also monitor its implementation and effectiveness throughout the Group.

#### **Tailored guidance**

Our behaviour standards are defined in our Group-wide policies, which cover topics like anti-corruption, competition law, and trade/ financial sanctions. These policies are supported by specific guidelines, procedures, and both online and in-person training. These efforts are customized for different internal audiences to ensure every employee receives the exact guidance and training necessary for their role.

#### **Reporting compliance concerns**

We value the courage of our employees, business partners, and the public in reporting misconduct or serious issues. It is crucial that they can trust their concerns will be treated with the utmost confidentiality and investigated thoroughly. Our whistleblowing system is designed for confidential and secure reporting. Both the use of the GLS Integrity Line and contacting our ombudsman offers the reporting person the necessary protection through secure communication channels, confidentiality, transparent feedback, and the prohibition of reprisals.



ties where appropriate.

# Information security

In the logistics sector, handling sensitive information — including personal data of customers, consignees, business partners, and our employees — is a daily responsibility. As digitalisation continues to expand within our business, so does the potential for cyber threats. To protect this sensitive data from misuse and theft, we have implemented comprehensive, Group-wide information security.

## Cybersecurity governance

Our Corporate Information Security team is driving Group-wide information security activities through its security policies, standards, and guidelines. A governance framework based on ISO27001 has been established and is continuously being improved. Supported by the GLS Holdings Board's mandate for increased digitalisation and continual improvement, our information security department is implementing a comprehensive security program. This program is designed to boost our global security maturity. We are committed to continually improving our security measures to stay ahead of evolving threats, as attackers also refine their tactics.

## Collaborative approach

Corporate Information Security actively collaborates with stakeholders to standardise processes and technologies, incorporating security by design and deploying advanced services such as identity and access management and public key infrastructure. As cyber threats grow more sophisticated, we are increasingly relying on automation and artificial intelligence to enhance our security measures and improving system monitoring through our Global Security Operations Center with Security Information and Event Management (SIEM), Security Orchestration Automation, and Response (SOAR), and Extended Detection and Response (XDR) solutions. This strategy not only addresses the complexity of IT and the speed of attacks but also ensures quick and efficient responses, allowing us to continue delivering exceptional service securely.

## New regulations

As part of our ongoing efforts to enhance cybersecurity, we are updating our systems to align with evolving regulatory frameworks, including considering the Network and Information Security (NIS) 2.0 European Union Directive.



## Data protection

Data protection is a critical concern in parcel logistics, as the use of personal information is unavoidable in the shipping process. GLS prioritises the protection of personal data to meet the expectations of customers, consignees, employees, and other stakeholders. We have established a comprehensive, Group-wide Data Protection Framework that encompasses all relevant entities, ensuring robust data protection practices are in place across our organisation.



### Data Protection Framework

## Employee training & awareness

Clear guidance for all employees through our Groupwide Data Protection Policy, mandatory online training for all employees with computer access and awareness measures designed to reach employees on all levels and in all functions.

## Data protection management

A dedicated Corporate Data Protection department is in charge of further developing and continuously improving this framework, while responsible Data Protection managers in all operative entities ensure that it is implemented and brought to life.

## Integrated data processing protocols

Clear mandatory processes for setting up data processing activities ensure that data protection is built into our digitalisation approach by design and by default.

#### Rapid data breach response

A data breach response process is set up between the Data Protection and Information Security functions, to ensure a speedy and effective response when needed.

# Supply chain governance

In today's business landscape, companies are increasingly accountable not just for their own adherence to laws and ethical norms, but also for the conduct of their entire supply chains. At GLS, we embrace this responsibility wholeheartedly. We understand that to our customers, we represent the beginning of a crucial supply chain journey.

### Setting clear expectations

Our Supplier Code of Conduct outlines the expectations we hold for our suppliers, covering compliance with laws as well as environmental and social responsibility. This code is publicly available in local languages on each GLS entity's website, shared with potential business partners, and included in supplier contracts when appropriate

## **Empowering our team**

It's essential to ensure that all our colleagues collaborating with partners understand their responsibilities and can identify relevant issues, such as potential concerns regarding labour practices in our supply chain. Therefore, we mandate Compliance in the Supply Chain training for all GLS employees with purchasing or depot supervising functions.

## Choosing our partners wisely

GLS has a dedicated Business Partner Approval Process, which mandates that staff responsible for selecting business partners to conduct background checks, including on red flags indicating potential corruption or modern slavery risks. If indicated, appropriate mitigating measures must be defined before a contract may be concluded. Our Business Partner Approval policy instructs staff to also closely monitor ongoing relationships to spot any signs of a deteriorating risk profile as early as possible. Each relevant active business partner must undergo re-evaluation at least every three years.

## Working together across borders

Our most significant business partners include transport partners, agencies, franchisees, and our international network partners. Together, we provide comprehensive logistics services, extending across countries where GLS does not have its own presence. When our partners provide services on our behalf, they represent the GLS brand, and we hold them to the highest compliance standards.

Standard contracts with all such partners outline specific compliance obligations, focusing particularly on corruption and labour law. Our international network partners undergo thorough compliance checks before we establish any business relationship and continue to undergo scrutiny throughout their network membership.

National GLS subsidiaries take additional measures tailored to local circumstances, such as establishing specific national partner codes of conduct for their transport partners.



## Appendix

- 46 About this report
- 47 Glossary
- 48 Reference to GRI
- 53 GLS entities

### **About this report**

This report was composed in reference to the Global Reporting Initiative (GRI) framework, incorporating the 2016 standards with updates from 2021. Referencing this framework is intended to provide stakeholders and the public with insights into our objectives, endeavours, and advancements in all ESG topic areas. The information in this report relates to GLS Group's financial years 2022/2023 and 2023/2024.

### Data scope and comparability

Unless specified otherwise, the presented metrics encompass the entirety of GLS Group. Unless otherwise stated, reporting on emissions and resource consumption from the 2022/23 and 2023/24 financial years is based on the following data delimitation

- all activities, products and services and
- all companies that we have included in the scope of consolidation in accordance with the applicable financial reporting rules as at the respective balance sheet date or those that have a significant environmental impact in this context.

## Reporting frequency

The GLS Group ESG Report is released annually in English, and is available via & https://gls-group.com/GROUP/en/our-responsibility

Data precision

Figures in tables and graphs are rounded for presentation purposes. However, changes compared to the previous year or proportional percentages are based on exact values. Thus, while a figure may remain the same as the previous year, a relative change may still be reflected. Due to rounding, cumulative proportional percentages might differ from the sum of nonrounded percentages.

## Glossary

**B2B (Business to Business)**: Business transactions or services conducted between businesses rather than between businesses and consumers.

**B2C (Business to Consumer)**: Business transactions or services conducted directly between a business and consumers who are the end-users of its products or services.

**CCBS (Climate, Community & Biodiversity Standards)**: Standards ensuring projects deliver strong environmental and social benefits, focusing on climate, community, and biodiversity impacts. *PMore information* 

**CDP (Carbon Disclosure Project)**: An organization that supports companies and cities to disclose their environmental impact. It is a comprehensive disclosure system for measuring and managing environmental impacts. *PMore information* 

**CNG (Compressed Natural Gas)**: A fossil fuel substitute for petrol, diesel, or propane, used in the transportation sector.

#### CO2 equivalent (Carbon dioxide equivalent; CO2e):

The universal unit of measurement to indicate the global warming potential (GWP) of each of the six greenhouse gases, expressed in terms of the GWP of one unit of carbon dioxide. It is used to evaluate releasing (or avoiding releasing) different greenhouse gases against a common basis. The six greenhouse gases covered by the Kyoto Protocol and considered in the GHG Protocol are: carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluoro-carbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF6). At GLS we disclose our emissions in CO2e. Further details about the basis of reporting are available at  $\mathscr{P}$  https://gls-group.com/GROUP/media/downloads/gls-2022-23-reporting-criteria.pdf

**C2X (Consumer-to-Any Other Party):** In the parcel business, refers to a model where individual consumers send parcels to a variety of recipients, including other consumers, businesses, or organisations.

#### CSRD (Corporate Sustainability Reporting Directive):

A directive of the European Union aimed at increasing the transparency and comparability of sustainability information disclosed by companies operating within the EU.

#### DEKRA: A European vehicle inspection company.

**EcoVadis**: A platform providing holistic sustainability ratings of companies. It evaluates companies based on four themes: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement. *∂* More information

**Emissions or carbon emissions**: Used in this document as an abbreviation for CO2e. See entry "CO2 equivalent" in the glossary.

**EN 16258**: The primary standard for calculating and declaring greenhouse gas emissions in transport logistics. *P* More information

**ESG (Environmental, Social, and Governance)**: Refers to the three central factors in measuring the sustainability and ethical impact of an investment in a company or business.

**GHG emissions (Greenhouse gas emissions)**: See entry "CO2 equivalent (CO2e)" in the glossary.

**GS VER (Gold Standard Voluntary Emission Reduction)**: Certification for projects that reduce carbon emissions and promote sustainable development, ensuring contributions to the well-being of local communities and the environment. *O* More information

**GRI (Global Reporting Initiative)**: An international independent standards organization that helps businesses, governments, and other organizations understand and communicate their impacts on issues such as climate change, human rights, and corruption.

**HVO (Hydrogenated Vegetable Oil)**: A renewable diesel fuel derived from waste and residue of vegetable oils, transformed through hydrodesulfurization, allowing it to be used without modifications to diesel engines.

**ISO 14001**: An international standard that specifies requirements for an effective environmental management system (EMS). It provides a framework that an organization can follow, rather than establishing environmental performance requirements. *PMore information* 

**LNG (Liquefied Natural Gas)**: Natural gas that has been cooled down to liquid form for ease of storage or transport.

**LPG (Liquefied Petroleum Gas)**: A type of fossil fuel used as an alternative to petrol and diesel, often in transportation.

**OOH (Out-Of-Home)**: Delivery solutions that take place outside of the recipient's home, such as parcel lockers and other alternative delivery locations. This method aims to reduce the need for multiple delivery attempts and offers greater flexibility to recipients.

**PKW (Personenkraftwagen)**: German for passenger car, typically referring to a private vehicle.

**S&P Global Sustainability Yearbook**: An annual assessment that ranks the world's largest companies based on their sustainability practices. Companies must score in the top 15% of their industry to be included. *P*<u>More information</u>

**SBTi (Science Based Targets initiative)**: Organization that helps companies set greenhouse gas emissions reduction targets in line with climate science to meet the goals of the Paris Climate Agreement. *PMore information* 

**SDG (Sustainable Development Goals)**: Set of 17 global goals established by the United Nations in 2015 to address a broad range of sustainable development issues, including poverty, inequality, climate change, environmental degradation, peace, and justice. *PMore information* 

**TCO (Total Cost of Ownership)**: A financial estimate intended to help buyers and owners determine the direct and indirect costs of a product or system.

VCS (Verified Carbon Standard): Program setting standards for certifying carbon emissions reduction projects, ensuring strong environmental and social benefits. *P*More information.

**WDI (Workforce Disclosure Initiative)**: An initiative focusing on key areas including employee engagement, diversity, and health and safety, ensuring transparency and alignment with the best standards for employee well-being and equitable workplace conditions. More information

**WTW (Well-to-Wheel)**: Approach considering the full life cycle of fuel, from generation to its actual use, in the calculation of carbon emissions.

## Glossary

Disclosure	Reference 2022	Contents	Page	
Standard Dis	Standard Disclosures			
	GRI 102-1	Organisational Detail	5-6, 8, GLS entities	
	GRI 102-2	Activities, brands, products and services	5, 6	
	GRI 102-3	Location of headquarters	6	
	GRI 102-4	Location of operations	GLS entities	
	GRI 102-5	Ownership and legal form	6	
	GRI 102-6	Markets served	GLS entities	
	GRI 102-7	Scale of the organization	6, 8, GLS entities	
	GRI 102-8	Information on employees and other workers	30, 31	
016	GRI 102-9	Supply chain	6	
JRES 2	GRI 102-10	Significant changes to the organization and its supply chain	GLS acquired Versandmanufaktur in Germany in May 2023, Pronto Pacco in Italy in June 2023 and Altimax Courier in Canada in June 2023.	
osı	GRI 102-11	Precautionary principle or approach	We apply the precautionary principle in all relevant field to secure the long-term success of GLS.	
GRI 102 GENERAL STANDARDS DISCLOSURES 2016	GRI 102-12	External initiatives	With our mother company we have signed the UN Global Compact: $ endowed Attractions Attrac$	
	GRI 102-13	Membership of associations	GLS Austria: Wirtschaftskammer/Chamber of Commerce GLS Belgium: Employers' Federation for International Trade, Transport and Logistics; Koninklijke Federatie van Belgische Trans- porteurs & Logistieke Dienstverleners (FEBETRA); VOKA, Flemish network of Enterprises; BCA (Belgian Courier Association); Vlaams Instituut voor de Logistiek (VIL) (not full membership, but partnership) GLS Canada: Freight Carriers Association of Canada (FCA) GLS Czech Republic: APEK (Association for e-commerce); Hospodářská komora České republiky GLS Denmark: Dansk Erhverv (Danish Chamber of Commerce); DTL Danish Transport and Logistics Association GLS Finland: Huolintayhdistys; Logy GLS France: FNTR (fédération nationale des transports routiers) GLS Germany: Bundesverband Paket- und Expresslogistik (BPEX) GLS Italy: Federazione Italiana Trasportatori (FEDIT); Consorzio Netcomm Italy (GLS Enterprise): CONFAPI - Confederazione italiana della piccola e media industria; FEDERLAZIO - Associazione delle pic- cole e medie imprese del Lazio (Rome region); CONFCOMMERCIO Vicenza - Associazione del commercio del turismo e dei servizi della provincial di Vicenza GLS Poland: FPE (FORUM PRZEWOŹNIKÓW EKSPRESOWYCH) GLS Portugal: APOE (Associação Portuguesa de Operadores Expresso) GLS Spain: Organización Empresarial de Logística y Transporte (UNO); Asociación Española del Express y de la Carga Aérea Inter- nacional (AECI); Asociación Española de Derictivos de Sostenibilidad (DIRSE); Asociación Española de Codification Comercial	

Disclosure	Reference 2022	Contents	Page		
	Strategy				
	GRI 102-14	Statement from senior decision-maker	3		
	GRI 102-15	Key impact, risks, and opportunities	9, 11, 14. 28, 40		
	Ethics and Integrity				
	GRI 102-16	Values, principles, standards, and norms of behavior	7		
	Governance Structure				
	GRI 102-18	Governance structure	12		
o	GRI 102-19	Executive-Level Responsibility	12		
201	GRI 102-20	Delegating Authority	12		
URES	GRI 102-21	Consultation Between Stakeholders and the Highest Governance Body	12		
TOS	Stakeholder Engagement				
2 DISC	GRI 102-40	List of stakeholder groups	10		
GRI 102 GENERAL STANDARDS DISCLOSURES 2016	GRI 102-41	Collective bargaining agreements	As an international operating company GLS orients itself by the frameworks and legal requirements of the respective countries. Remuneration is guided by the local job market, including any applicable collective agreements.		
	GRI 102-42	Identifying and selecting stakeholders	10		
	GRI 102-43	Approach to stakeholder engagement	10, 31-33		
	GRI 102-44	Key topics and concerns raised	11		
NER	Reporting Practice				
GEN	GRI 102-45	Entities included in the consolidated financial statements	45		
	GRI 102-46	Defining report content and topic boundaries	45		
	GRI 102-47	List of material topics	Environment (Environmentally friendly transport, Long-term emission reduction strategy, Energy efficiency), Governance (Com- pliance, Transparency and dialogue, Data protection & Information security), Social (Safe driving, Employer attractiveness, Labour standards, Occupational health & safety, Labour standards in the supply chain, Diversity & nondiscrimination)		
	GRI 102-48	Restatements of information	No restatement needed		
	GRI 102-49	Changes in reporting	45		
	GRI 102-50	Reporting period	45		
	GRI 102-51	Date of most recent report	45		

Disclosure	Reference 2022	Contents	Page		
	GRI 102-52	Reporting cycle	45		
	GRI 102-53	Contact point for questions regarding the report	Imprint		
	GRI 102-54	Claims of reporting in accordance with the GRI standard	45		
	GRI 102-55	GRI content index	45		
	GRI 102-56	External assurance	see Assurance Statement at $\mathscr{O}$ https://gls-group.com/GROUP/media/downloads/GLS_Group_Basis_of_Reporting_2023-24.pdf		
Material Spec	ecific Dosclosures				
≥	Economy	Economy			
Economy	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)			
Щ	GRI 204-1	Proportion of Spending on Local Suppliers	Transport activities as major share of ourpurchasing are purchsed on local level via our local organizations		
	GRI 205 Anti-Corruption 2016				
9	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)	41		
Gouvernance	GRI 205-1	Operations assessed for risks related to cor- ruption	41		
Gouv	GRI 205-2	Communication and training about anti-corrup- tion policies and procedures	41		
	GRI 205-3	Confirmed incidents of corruption and actions taken	For 2023/24: Two confirmed case to the detriment of GLS. In both cases the contracts with the involved parties have been termi- nated.		
	Enviroment				
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)	15-16		
ŧ	GRI 302 Energy 2016				
Enviroment	GRI 302-1	Energy Consumption Within the Organization			
virc	GRI 302-3	Energy Intensity	26		
8	GRI 305 Emissions 2016				
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)	25		
	GRI 305-1	Direct (Scope 1) GHG emissions	26		

Disclosure	Reference 2022	Contents	Page		
Enviroment	GRI 305-2	Energy indirect (Scope 2) GHG emissions	26		
	GRI 305-3	Other direct (Scope 3) GHG emissions	26		
	GRI 305-5	Reduction of GHG emissions	26		
	GRI 307 Environmental Compliance 2016				
	GRI 102-41	Management approach (including GRI 103-1, 103-2, 103-3)	A management system is implemented in all GLS entities operating under the GLS Trademark in the EU and Serbia to ensure all relevant environmental laws and regulations are obeyed.		
	GRI 307-1	Non-compliance with environmental laws and regulations	no fines or sanctions have been identified		
Ē	Social	Social			
	GRI 401 Employme	nt 2016			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)	29-30		
	GRI 401-1	New employee hires and employee turnover	Total New Hires: 1,910, Total Employee Turnover: 13% This data refers to the reporting period of Q4 ending on March 31, 2024.		
	GRI 402 Labor/Management Relations 2016				
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)	Our management approach is to adhere to all legel requirements.		
	GRI 402-1	Minimum notice period regarding operational changes	see above		
	GRI 403 Occupational Health and Safety 2018				
Social	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)	34		
	GRI 403-1:	Occupational health and safety management system	34-36		
	GRI 403-2	Hazard identification, risk assessment, and incident investigation	35		
	GRI 403-4	Worker participation, consultation, and com- munication on occupational health and safety	34-36		
	GRI 403-5	Worker training on occupational health and safety	36		
	403-6	Promotion of worker health	34-36		
	403-8	Workers covered by an occupational health and safety management system	34		

Disclosure	Reference 2022	Contents	Page		
	403-9	Work-related injuries	35		
	GRI 404 Training and Education 2016				
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)	31		
	GRI 404-2	Programs for upgrading employee skills and transition assistance programs	31		
	GRI 405 Diversity and Equal Opportunity 2016				
	GRI 102-2	Management approach (including GRI 103-1, 103-2, 103-3)	29		
	GRI405-1	Diversity of governance bodies and employees	30-31		
	GRI 408 Child Labo	GRI 408 Child Labour 2016			
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)	44		
	GRI 408-1	Operations and Suppliers at Significant Risk for Incidents of Child Labor	Under our GLS Group Supplier Code of Conduct we expect our suppliers to prohibit any kind of child labour in their company.		
ial	GRI 409 Forced or Compulsory Labor 2016				
Social	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)	44		
	GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Our Business Partner Approval Process covers also modern slavery risks.		
	GRI 412 Human Rights Assessment 2016				
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)	44		
	GRI 412-1	Operations that have been subject to human rights reviews or impact assessments	We conduct a yearly Complpiance Risk Assessment for each country where modern slavery is included.		
	GRI 412-2	Employee training on human rights policies or procedures	44		
	GRI 418 Customer Privacy 2016				
	GRI 103	Management approach (including GRI 103-1, 103-2, 103-3)	43		
	GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	During the reporting period, we have investigated a low double-digit number of potential incidents and notified relevant issues to authorities. We have also dealt with a number of complaints from data subjects and queries from Data Protection Authorities, all of which have been resolved to the satisfaction of the authorities.		

## **GLS** entities

The following list includes only the specific entities within the GLS Group that are deliberately named and referenced in this report. This is not a complete list of all entities within the GLS Group

GLS entities	Mentioned in report as			
Austria				
General Logistics Systems Austria GmbH, Ansfelden, Austria	GLS Austria			
Belgium	·			
General Logistics Systems Belgium N.V., Drogenbos, Belgium	GLS Belgium			
Canada				
GLS Logistics Systems Canada Ltd., Vancouver, Canada	GLS Canada			
Rosenau Transport Ltd, Alberta, Canada	Rosenau			
Croatia				
General Logistics Systems Croatia d.o.o., Donji Stupnik, Croatia	GLS Croatia			
Czech Republic				
General Logistics Systems Czech Republic s.r.o., Jihlava, Czech Republic	GLS Czech Republic			
Denmark				
General Logistics Systems Denmark A/S, Kolding, Denmark	GLS Denmark			
Finland				
General Logistics Systems Finland Oy, Turku, Finland	GLS Finland			
France				
General Logistics Systems France S.A.S., Toulouse, France	GLS France			
Germany				
General Logistics Systems Germany GmbH & Co. OHG, Neuenstein, Germany	GLS Germany			
Holding				
General Logistics Systems B.V., Oude Meer, the Netherlands	GLS BV			
Hungary				
GLS General Logistics Systems Hungary Kft., Alsónémedi, Hungary	GLS Hungary			
Ireland				
General Logistics Systems Ireland Limited, Dublin, Ireland	GLS Ireland			

Italy			
General Logistics Systems Italy S.p.A., San Giuliano Milanese, Italy	GLS Italy		
Netherlands			
GLS Netherlands Holding B.V. Utrecht, the Netherlands	GLS Netherlands		
Poland			
General Logistics Systems Poland Sp. z o.o., Komorniki. Poland	GLS Poland		
Portugal			
General Logistics Systems Portugal Lda., Venda do Pinheiro, Portugal	GLS Portugal		
Romania			
GLS General Logistics Systems Romania SRL, Selimbar, Romania	GLS Romania		
Slovakia			
GLS General Logistics Systems Slovakia s.r.o., Budča, Slovakia	GLS Slovakia		
Slovenia			
General Logistics Systems d.o.o., Ljubljana, Slovenia	GLS Slovenia		
Spain			
General Logistics Systems Spain S.A., Coslada, Spain	GLS Spain		
USA			
General Logistics Systems US, Inc., Stockton, USA	GLS US		
GLS Group			
GLS Group	All affiliated companies of GLS BV, Oude Meer		
International Distributions Services			
International Distributions Services plc, London, UK	IDS		
Royal Mail plc, London, UK			
(former name of IDS until October 2022)	Royal Mail		

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