

# Press release

# DHL Express announces two of the largest ever Sustainable Aviation Fuel deals with bp and Neste amounting to more than 800 million liters

- bp and Neste commit to supply DHL Express with more than 800 million liters of Sustainable Aviation Fuel until 2026
- CO<sub>2</sub> savings on a lifecycle basis estimated to be equivalent to annual greenhouse gas emissions of approx. 400,000 passenger cars
- Landmark deals mark major step towards Deutsche Post DHL Group's goal of using 30 percent of Sustainable Aviation Fuel for all air transport by 2030
- Frank Appel, CEO Deutsche Post DHL Group: "Using SAF is currently one of the key routes to reducing CO<sub>2</sub> lifecycle emissions in aviation."

**Bonn/Germany, March 21, 2022:** DHL Express has announced a significant step towards decarbonizing aviation logistics and being more sustainable. DHL has confirmed new strategic collaborations with bp and Neste, to provide more than 800 million liters of Sustainable Aviation Fuel (SAF) to DHL Express within the next five years, with the new agreements forming one of the largest SAF deals in aviation to date. These deals, together with the previously announced SAF introduction in the DHL network in San Francisco (SFO), East Midlands (EMA) and Amsterdam (AMS), will exceed 50 percent of DHL Express' target to reach 10 percent SAF blending for all air transport by 2026. DHL expects the strategic collaborations to save approx. two million tons of carbon dioxide emissions over the aviation fuel lifecycle – equivalent to the annual greenhouse gas emissions of approx. 400,000 passenger cars<sup>1</sup>.

DHL Express transports more than 480 million urgent documents and packages annually across its global network of 220 countries and territories. Simply said, with the 800 million liters, the approx. 1,000 annual DHL flights on the route between Cincinnati, USA and Leipzig, Germany, could be operated by Boeing 777s for approx. 12 years<sup>2</sup>, assuming a 100 percent SAF usage<sup>3</sup>. In total, this corresponds to 12,000 carbon neutral long-haul flights.

"As the world's leading logistics provider, it is our commitment to provide green and more sustainable solutions for our customers. The landmark SAF deals with bp and Neste mark a significant step within

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<sup>&</sup>lt;sup>1</sup> Source: <u>EPA</u>, Calculation:  $8.89 \times 10^{-3}$  metric tons  $CO_2$ /gallon gasoline  $\times$  11,556 VMT <sub>car/truck average</sub>  $\times$  1/22.5 miles per gallon <sub>car/truck average</sub>  $\times$  1  $CO_2$ , CH<sub>4</sub>, and N<sub>2</sub>O/0.993  $CO_2$  = 4.60 metric tons  $CO_2$ E/vehicle /year <sup>2</sup> Calculation: Distance between Cincinnati and Leipzig: 7,145 km, approx. 1,000 DHL Express flights per

year on the route, consumption of approx. 67,600 liters per flight: 800m liters/67,600 liters = 11,834 flights/1,000 flights per year = 11.83 years

<sup>&</sup>lt;sup>3</sup> Illustrative example, current blending of SAF is approved by aviation fuel standards at up to 50%





the aviation industry and validate the framework of our Sustainable Roadmap", says Frank Appel, CEO Deutsche Post DHL Group. "Using SAF is currently one of the aviation industry's key routes to reducing  $CO_2$  emissions over the aviation fuel lifecycle with currently available aircraft types."

Martin Thomsen, SVP, Air bp, says: "We are proud to complete this important deal which further deepens our strategic relationship with Deutsche Post DHL Group. As bp transitions to an integrated energy company, we are leveraging our value chain encompassing feedstocks, global production, logistics and airport infrastructure. Not many companies also have the trading and commercial expertise in SAF, needed to design and deliver solutions for complex customer needs. Our ambition is to work even more closely with airports and airlines on decarbonization options, and we are promoting SAF at pace to support global aviation to realize its lower carbon ambitions."

In its Sustainability Roadmap, Deutsche Post DHL Group has committed to using 30 percent of SAF blending for all air transport by 2030. Both suppliers will provide SAF produced from waste oils. Such SAF from wastes and residues can provide greenhouse gas emission reductions of up to 80 percent over its lifecycle compared with the conventional jet fuel it replaces, thereby reducing DHL's carbon footprint. In order to ensure that the fuel is sustainable, the use of feedstock which competes with food production or causes indirect land-use change is being avoided.

"With every SAF deal, we are increasingly aware of the huge task that lies ahead in utilizing more sustainable solutions to help our customers. Not a day goes by without our customers asking us about low-carbon logistics solutions and to partner them in our joint aspiration to be part of creating a more sustainable future", says John Pearson, CEO DHL Express. "The new SAF deals with bp and Neste are milestones on this journey. Our key focus is to inspire more SAF suppliers to address the current supply gap. At the same time, we are calling on policy makers to set the right framework to accelerate market ramp up of SAF in the EU and worldwide, including an accounting mechanism that allows flexible SAF purchases and usage."

"This milestone agreement, our largest ever for SAF, underlines the growing need and urgency – as well as the commitment – to act on aviation-related emissions. We are pleased to take this significant step together with DHL, which shows the joint ambitions of both companies and is further progress in our journey towards creating a healthier planet for our children," says Peter Vanacker, President and CEO of Neste. "Today's announcement also reflects how we are concretely helping customers reduce greenhouse gas emissions by at least 20 million tons of  $CO_2$  annually by 2030. SAF is a cornerstone of the aviation industry's efforts to achieve net-zero emissions by 2050. It requires a joint effort across the aviation value chain with all stakeholders, using all available raw materials and solutions, to reach that goal."

DHL Express aims to expand its partnerships with Sustainable Aviation Fuel suppliers in the future and continuously increase the SAF percentage in its air transport. DHL remains committed to support





innovative technologies to significantly reduce aviation's greenhouse gas emissions as stated in Deutsche Post DHL Group's Sustainability Roadmap.

- End -

### **Notes to editors:**

Image captions (from left to right):

bp Signing: Martin Thomsen, SVP Air bp; Frank Appel, CEO Deutsche Post DHL Group Neste Signing: Thorsten Lange, EVP Renewable Aviation Neste; Frank Appel, CEO Deutsche Post DHL Group

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**DHL** – The logistics company for the world

**DHL** is the leading global brand in the logistics industry. Our DHL divisions offer an unrivalled portfolio of logistics services ranging from national and international parcel delivery, e-commerce shipping and fulfillment solutions, international express, road, air and ocean transport to industrial supply chain management. With about 380,000 employees in more than 220 countries and territories worldwide, DHL connects people and businesses securely and reliably, enabling global sustainable trade flows. With specialized solutions for growth markets and industries including technology, life sciences and healthcare, engineering, manufacturing & energy, auto-mobility and retail, DHL is decisively positioned as "The logistics company for the world".

DHL is part of Deutsche Post DHL Group. The Group generated revenues of more than 81 billion euros in 2021. With sustainable business practices and a commitment to society and the





environment, the Group makes a positive contribution to the world. Deutsche Post DHL Group aims to achieve zero-emissions logistics by 2050.

## **About bp**

bp's purpose is to reimagine energy for people and our planet. It has set out an ambition to be a net zero company by 2050, or sooner and help the world get to net zero, and a strategy for delivering on that ambition. As the world seeks lower carbon fuels, bp sees clear opportunities to leverage its portfolio of assets and customer base – hence bioenergy is one of bp's transition growth engines. bp anticipates investing in five major biofuels projects, including the conversion of up to two refineries. We aim to be a leading marketer of sustainable aviation fuel (SAF) with 20% share of global SAF sales by 2030. In aviation, we are one of the leading marketers of SAF and to date have supplied at 20 airports in seven countries.

As the aviation division of bp, Air bp is one of the world's leading suppliers of aviation fuel products and services. It has been investing in the aviation industry for more than 90 years to keep people flying safely around the world. In 2019, we supplied over 6.7 billion gallons of aviation fuel, fueling over 7,000 flights per day at over 700 locations in more than 55 countries – that's more than five planes a minute.

#### **Neste in brief**

Neste (NESTE, Nasdaq Helsinki) creates solutions for combating climate change and accelerating a shift to a circular economy. We refine waste, residues and innovative raw materials into renewable fuels and sustainable feedstock for plastics and other materials. We are the world's leading producer of sustainable aviation fuel and renewable diesel and developing chemical recycling to combat the plastic waste challenge. We aim at helping customers to reduce their greenhouse gas emissions with our renewable and circular solutions by at least 20 million tons annually by 2030. Our ambition is to make the Porvoo oil refinery in Finland the most sustainable refinery in Europe by 2030. We are introducing renewable and recycled raw materials such as liquefied waste plastic as refinery raw materials. We have committed to reaching carbon-neutral production by 2035, and we will reduce the carbon emission intensity of sold products by 50% by 2040. We also have set high standards for biodiversity, human rights and supply chain. We have consistently been included in the Dow Jones Sustainability Indices and the Global 100 list of the world's most sustainable companies. In 2021, Neste's revenue stood at EUR 15.1 billion. Read more: <a href="mailto:neste.com">neste.com</a>