## Sustainability statement



At PostNL, we deliver for everyone, connecting people through mail, parcels and information. For more than 220 years, we've been delivering special moments. We want to be and remain the country's favourite deliverer, for both current and future generations. And so we take responsibility for everything we do, as we seek to contribute to the transition to a sustainable economy and society.

#### Contributing to a better world together

As the Benelux region's biggest mail and parcels company, we are highly conscious of our – real and potential – impact on the world around us. This means that sustainability in both social and climate terms is very much part of our strategy, activities and decision-making. That's how we create both short-term and long-term sustainable value for our customers, our people, society, our investors and our company.

By engaging with our stakeholders, we gain insight into the issues that matter to them most. Our focus goes beyond our own activities: together with our customers and partners we aim to address the most important issues facing our entire value chain. This sustainability statement sets out the positive impact we aim to make on environmental, social and governance (ESG) matters.

#### Climate: clean kilometres and more

Our key focus is to reduce our carbon emissions, for which we have set ourselves ambitious long-term targets. Despite expected robust e-commerce volume growth, we aim to cut carbon emissions across all operations (including outsourced road and air transport) by 18% by 2030, compared with 2017 emissions. This includes a carbon reduction in our own operations (Scope 1 and 2) of 60% in absolute terms and 80% relative to kilometres driven (in grammes per kilometre). In addition, we promise to deliver all parcels and mail in the Benelux region emission-free in the last mile by 2030 at the latest. In fact, we're already achieving emission-free mail and letterbox parcel deliveries for as much as 96% of all addresses in the Netherlands. Our SBTivalidated targets comply with and help to achieve the requirements of the Paris Climate Agreement.

At PostNL, we reckon that sustainability is so much more than carbon emission reductions, which is why we also have other goals in place. We have aligned ourselves with the EU taxonomy's six environmental objectives: climate change mitigation; climate change adaptation; sustainable use and protection of water and marine resources; transition to a circular economy; pollution prevention and control; and protection and restoration of biodiversity and ecosystems. To help achieve these objectives, we aim for progress on four pillars:

- 1. In terms of **clean kilometres**, we are committed to significantly reducing the carbon, NOx and particulate matter we ourselves release into the atmosphere by shifting to electrified transport and encouraging driving economically. And we help our delivery partners do the same. Where we're unable to electrify our fleet, we replace fossil diesel with renewable fuels. In Europe we're increasingly using alternatives to airlines, such as trucks running on renewable fuels or trains, while we're also engaging airlines to urge them to cut their carbon emissions.
- 2. In terms of **network efficiency**, we are constantly optimising our routes and vehicle use with the aim of driving fewer kilometres. We combine logistics flows and so ensure fewer transport movements and less traffic congestion. To keep neighbourhoods pleasant and liveable, we use city-friendly modes of transport, such as light electric trucks and cargo bikes, in addition to deliveries made on foot and by bike or e-bike. We also encourage smart packaging and reducing air in packaging.
- 3. In terms of **sustainable buildings and facilities**, our aim is to build and modernise our buildings in keeping with the highest possible standards of, for instance, energy efficiency. All our sorting centres are BREEAM-certified and we go for the highest possible BREEAM certification for new buildings. At our sorting centres, we sort all mail and parcels 100% emission-free, and we are taking measures to improve biodiversity

### Sustainability statement



at and around our buildings. We also work to reduce waste flows and recycle as much as we can, with sustainability and circularity fixed elements of our purchasing policy.

4. We work together with our suppliers and customers to develop **green products and services**, including sustainable packaging and delivery options such as our parcel lockers. Also, we're a founding partner of <u>Econnections</u>, an open platform driving the acceleration of sustainability across the entire e-commerce chain

To read more about our climate approach, check out our website.

# Social: attracting and retaining motivated people and helping to create a connected society

Attracting and retaining motivated people is a strategic priority for PostNL, as we want everyone to enjoy working for us or with us. We stand for our people and our delivery partners. Their satisfaction is in our own best interests. And so we look to be a modern and engaged employer and client, one that offers excellent and social working conditions to all who work with or for us. We comply with all labour laws, observe the rules and stick to our own business principles. We take responsibility for identifying and addressing any breaches through audits and controls, and share the outcomes of our own audits with employment inspectors. We have always done this and will continue to do so.

We aim to increase the percentage of people that are in our own employment and to offer good employment conditions to everyone who works with and for us, i.e. solid collective labour agreements, fair and equal pay, encouraging personal development, cooperation and making improvements based on feedback. The health and safety of our people, both physical and mental, always comes first, and we take all the necessary measures to ensure a safe and healthy workplace. We understand that engaged people are key to achieving our ambitions. It starts on day one: we devote a lot of time to our new colleagues and partners, and measure their engagement and satisfaction throughout the year. We use the results to achieve further improvement.

At PostNL, we aim to reflect the society we operate in and actively pursue a diversity and inclusion policy, seeking age and gender balance in our teams in all layers of our company, promoting multicultural talent and LHBTIQ+ acceptance, while also offering opportunities to people facing challenges in the labour market. In 2022 PostNL earned PSO certification and immediately came in on level two of the PSO social entrepreneurship performance ladder, as we are well above average in offering employment to those at a disadvantage in the labour market.

Sustainable employability is what we want for our people at PostNL. We encourage all to continue to learn and develop, and to take on board developments at our company, such as digitalisation. We also encourage internal mobility, ensuring that our people are adequately trained, skilled, motivated and healthy at work, both within and outside PostNL.

As deliverers of mail and parcels, we contribute to a **connected society**, as our people beat down every street in the country every day of the week in their thousands. This unique presence enables us to add to a more lively and social society, for instance by delivering medicines, medical supplies and meals for vulnerable people. We also lend a helping hand by way of our PostNL Bijzondere Momenten Fonds for special moments, which supports initiatives that help bridge social divides, encourages social contact between people and helps them to continue to stay part of society. Charities we support include Nationale Coalitie tegen Eenzaamheid ("National Coalition against Loneliness"), Nationale Ouderenfonds ("National Foundation for the Elderly") and Stichting Jarige Job, which provides birthday presents to children whose families have no money to spare. Check out our website for more on our social approach.

#### Corporate governance: fair, responsible and transparent

At PostNL, we are deeply committed to sustainability and have a sound management system in place to implement our strategy. Our remuneration policy imposes both financial and non-financial objectives on our Board of Management, and sustainability also serves as a key criterion in the assessment of our senior management. Our integrated annual report provides as full and honest an account of this as possible.

## Sustainability statement



We are certified on the basis of international standards, such as ISO 9001 (quality), ISO 14001 (climate) and ISO 45001 (occupational health and safety). Every year, we also feature in leading benchmarks, such as the Dow Jones Sustainability Index, EcoVadis, Sustainalytics and CDP (Carbon Disclosure Project). And we're proud to score very highly on sustainability with these benchmarks and ESG rating agencies.

Our Business Principles inform how we act and make our decisions. As early as 2012, PostNL signed up to the ten principles of the United Nations Global Compact on such issues as human rights, labour, climate and anti-corruption. We further endorse the OECD guidelines for multinational enterprises on responsible business conduct, while our sustainability strategy aligns us with the United Nations' Sustainable Development Goals (SDGs).

Lastly, we believe that sustainability is our licence to operate for the future. The activities we're involved in are not goals in themselves. They are our way of ensuring that PostNL treats the world we share as responsibly as possible. Only by doing so can we be a sustainable mail and parcel company with a positive impact on people, climate and society.

Herna Verhagen

PostNL CEO

PostNL CFO

*June 2022*