



ThinkGLS. ThinkResponsible.

Update to the 4th Sustainability Report
2019/2020





Foreword

Dear reader,

This update on the sustainability report “ThinkGLS. ThinkResponsible” is to inform you about our activities in the 2019/20 financial year. We have compiled relevant topics for you from the ecological, social and economic areas and hope to be able to give you an interesting insight into the developments over the last financial year. Additionally, there are details regarding the developments due to the COVID-19 pandemic, which began at the end of our last financial year.

This update supplements our fourth sustainability report with the developments of the 2019/20 financial year.

Thank you for your interest and we hope you enjoy reading it.

Anne Putz
Head of Communication and Marketing
GLS Group

Dr. Anne Wiese
Manager Corporate Responsibility
GLS Group

GLS at a glance

Key figures	2017/2018	2018/2019	2019/2020
Business figures			
Revenue (in billion Euro)	2.9	3.3	3.6
EBITA (in million Euro)	217	201	238
EBITA margin (in %)	7.5	6.1	6.8
Operating figures			
Customers	> 270,000	> 200,000*	> 240,000
Parcel volume (in millions)	584	634	667
Long distance vehicles	approx. 4,000	approx. 3,500	approx. 4,000
Delivery vehicles	approx. 26,000	approx. 26,000	approx. 28,000
Distribution centres**	approx. 50	70	70
Depots and agencies	approx. 1,300	approx. 1,400	approx. 1,400
Sustainability figures			
GLS companies certified in accordance with ISO 14001:2015	20	20	20
CO ₂ e emissions (in tonnes)	667,135	706,633	829,737
Employees	approx. 18,000	approx. 19,000	approx. 19,000
LTAFR (12 month rolling)***		2.29	2.44
Fatal accidents	0	0	0

* Due to a different counting method the number was adjusted.

** Regional and central hubs

*** This figure has only been collected since the 2018/19 financial year.

About this report

With the update to the fourth sustainability report of the GLS Group, we inform our stakeholders and other interested parties about our objectives, activities and progress in the areas of the environment, social affairs and economy. The information in this report relates to the 2019/20 financial year.

Data delimitation and comparability

Unless otherwise indicated, the key figures refer to the entire GLS Group. The US company Mountain Valley Express, which was newly acquired in 2019, has been included in the financial figures since the date it was acquired (30.09.2019). The reporting on emissions and resource consumption for the 2019/20 financial year relates, unless otherwise stated, to all activities, products and services and to all companies that we have included in the scope of consolidation on the respective balance sheet date in accordance with the rules applicable in financial reporting, or those that have significant environmental impacts in this context. Mountain Valley Express is not included in these figures.

Reporting cycle

The detailed sustainability report of the GLS Group is published every two years in German and English and can be accessed online. The reporting period for this update extends from 01.04.2019 to 31.03.2020. The publication of the fifth sustainability report is planned for the 2021/22 financial year. This will again comply with the GRI standards and report in detail on the 2019/20 and 2020/21 financial years.

Additional information on the Internet

In addition to this report, the GLS Group also provides information on its sustainability activities on its website: <https://gls-group.com/GROUP/en/our-responsibility>

Accuracy

For reasons of presentation, the figures in the tables and graphics are rounded. However, the changes compared to the previous year or the proportional percentages refer to the exact values in each case. For this reason, it may happen that some information has remained the same compared to the previous year, but a relative change is reported. Due to the rounding of proportional percentages, it may happen that adding them together with the addition of the non-rounded percentages leads to different results. For example, proportional percentages may not add up to 100 per cent due to rounding, although this would have been expected logically.

Editorial note

For the purposes of legibility, we have not distinguished between the male and female forms of address. Thank you for your understanding.

ThinkGLS

About us

General Logistics Systems B.V. (Headquarters Amsterdam) provides reliable, high quality parcel services in Europe and also offers express and logistics services. In the 2019/20 financial year, the parcel network comprised 36 European countries, Canada and 8 U.S. states. Our motto is therefore “Think Global. Act Local”. We support and promote our national companies by adapting to the special needs and characteristics of local markets and customers and by continuing their country-specific strategies. While the main focus is on organic growth, we also expand our network by means of acquisitions when it makes sense to do so.

On 30 September 2019, the American company Mountain Valley Express (MVE) was taken over to offer LTL (Less-Than-Truckload) services in the states of California, Arizona and Nevada. In addition, the American subsidiary GSO was renamed GLS US and the Canadian subsidiary Dicom was renamed GLS Canada.



ThinkResponsible Responsibility

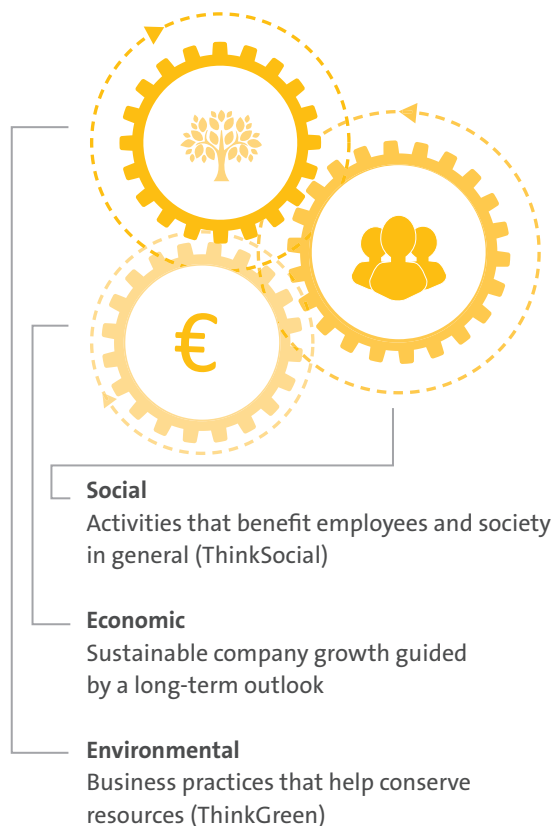
The courier, express and parcel services (CEP) sector in which GLS operates is growing steadily. The European parcel market was worth more than 64 billion Euro in 2018. The rise in relation to the previous year is mainly due to growth in online retail, which has stood at 13 percent per annum since 2013.¹ In addition to the positive development, the sector is also facing challenges. Besides increasing competition and the resulting price war, companies in the CEP sector also have to deal with the issues of resource scarcity, climate change and environmental protection. In addition, there are stricter legal frameworks such as emissions standards, tolls, environmental zones and driving bans.

The GLS Group is facing up to the changed framework conditions and is aware of its corporate responsibility. For this reason, the Corporate Development and Corporate Responsibility teams have started to work on a group-wide climate strategy that focuses on a long-term reduction of our emissions.

We have also worked further on our environmental management system, which is certified according to ISO 14001:2015 across Europe. Moreover, together with quality management, the cornerstone was laid for group-wide uniform environmental audits, which will be rolled out in 2020. Furthermore, in January 2020, we carried out the collection of LCA data for the first time at the same time as defining the environmental goals. This leads to a better consistency of the data and reduces the workload for the national companies and the CR department.

Furthermore, we have renewed our EcoVadis certification and received our silver status again. The improved result, with which we missed gold status by just one point, shows us that the further development of our

activities is also being acknowledged externally. Together with our parent company Royal Mail Group, we again took part in the CDP in summer 2019, in which companies are assessed with regard to emissions, targets and reduction strategies. The evaluation was completed with a “B”².



¹ Apex Insight (2019): European Parcels Market Insight Report 2019.

² The CDP awards results from A to D-.

ThinkQuality

The core business of GLS is sending parcels to business customers (Business-to-Business - B2B). On average for the Group, these parcels account for around 52 percent of our deliveries, with the relative proportions varying from market to market. In addition to B2B shipping, shipping to private recipients has become increasingly important in recent years (Business-to-Consumer - B2C). Accordingly, it is the aim of GLS not only to be a reliable partner for our bulk senders but also an attractive premium provider in the field of private senders and recipients. An increased shift to B2C shipping can be observed in 2020, which is being driven by the COVID-19 pandemic.

Certified quality

Our guiding principle “European quality leader in parcel logistics” was affirmed in the 2019/20 financial year by the successful monitoring audits in the area of quality management (ISO 9001:2015) and environmental management (ISO 14001:2015) in all European national companies.

Belgium, Denmark, Germany, France and Ireland were also able to confirm their GDP (Good Distribution Practice) certification. At the same time, GLS Spain prepared for GDP certification and obtained it for the first time in May 2020. GDP means that the process quality of the entire system complies with the high requirements of the European guideline for good sales practice for human medicines (2013/CR 343/01) and therefore the standards for safe, hygienic and undamaged transport.

Other quality management activities include the modernisation of the group-wide audit management system and the group-wide rollout of information and process management software.

Strong network

In order to continue to ensure our quality standards even with increasing parcel volumes, we have invested heavily in our network. We have opened new locations and expanded locations in numerous national companies. Overall, the number of locations has increased by 13³ across the Group.

For example, GLS Netherlands opened a new depot in Amsterdam, which more than doubled the capacity compared to the previous depot. GLS Denmark has opened a ninth depot as part of its investment program, which has existed since 2017, with the aim of creating nationwide capacities for the rapidly growing parcel volumes. Further projects are planned. GLS Spain moved into both a new national hub near Valencia and an international hub near Barcelona in winter 2019/20. This enabled capacities to be increased by 70 and 50 percent respectively. It was also possible to optimise processes so that, for example, earlier departure times are now possible for long-haul transport. A new hub for the freight sector was also opened in Belgium. The new location means that more direct traffic can be used and transit times for some routes can be shortened.

Further new openings are planned. GLS Germany is currently building a new European hub in Essen, which will open in autumn 2020. For the building, the topics of environment and species protection were of great importance. In addition to LED lighting, the use of rainwater and charging stations for e-vehicles were also planned. With the use of rainwater, the water consumption of the depot is reduced and a large biotope on the depot area is also supplied. On an area of 4,875 square metres, three ponds and land habitats for different species of newts and toads are being created.

³ This value is accumulated from closings and new openings in the 2019/20 financial year. The locations of the newly acquired subsidiary MVE are not included here.

In summer 2019, Estafeta Mexicana S.A. DE C.V. was included as a new network partner for Mexico.

New services

We carried out numerous activities in the 2019/20 financial year to improve our services further. For example, Norway has been added to the FlexDelivery-Service as an additional country via a network partner. The Netherlands was connected internationally for the ShopReturnService. An international Returns Portal was also implemented.

Our ParcelShop network was further expanded so that it now includes around 25,000 shops across the Group. For example, GLS Ireland has doubled the number of its ParcelShops. GLS Spain has expanded its ParcelShop network with over 200 parcel dispensing machines.

In the course of the Covid 19 pandemic, new options for contactless delivery were launched in all countries in order to minimise the risk of infection for delivery drivers, customers and recipients (see also p. 21-23). It can be assumed that some of the solutions developed will continue to be available regardless of the development of the pandemic, as these respond well to the needs of customers and recipients. For example, GLS Poland has introduced two new technical solutions in connection with contactless delivery: On the one hand, parcel handover via PIN was developed. Before delivery, the recipient receives a PIN via SMS on his phone, which he then gives to the delivery driver instead of a signature. Furthermore, a cooperation was also started with the BLIK service, which offers a

mobile payment system for smartphones. In this way, recipients can process payments with the delivery driver via a code. Both innovations will be offered on a long-term basis.

Comprehensive communication

Furthermore, the launch of the new GLS Group website was planned for the beginning of 2020. Due to the Covid-19 pandemic, the rollout was delayed until May 2020. The complete revision ranges from the new, fresh design to a more user-friendly content management system in the backend. At the time this report was written, nine country websites had been rolled out.

In connection with the corona pandemic, information on international shipping was updated daily online. A similar approach was taken with the information regarding Brexit. There was extensive customer communication in this regard, which was always based on the current status of events.

Our activities in social media, which represent an important contact platform for our customers and recipients, have also been expanded.

Social media presence

 Facebook	Austria, Belgium, Canada, Czech Republic, Denmark, Finland, Germany, Hungary, Ireland, Italy, Poland, Romania, Slovakia, Slovenia, Spain	 LinkedIn	Canada, Czech Republic, Denmark, France, Germany, Hungary, Ireland, Italy, the Netherlands, Poland, Romania, Slovakia, Spain
 Twitter	Austria, Germany, Ireland, the Netherlands, Spain	 Xing	Austria, Germany
 Instagram	Austria, Germany, Romania, Spain	 Trustpilot	Denmark
 YouTube	France, Germany, Hungary, the Netherlands, Poland, Spain	Andere	Germany, Spain



ThinkGreen

Environmental protection

Every day, GLS transports millions of parcels through the core market of Europe, North America and other countries. The logistics and transport processes required for this have an impact on natural resources and climate change. Due to the environmental impact of our business activities, the area of climate and environmental protection is a central component of our sustainability activities.

ThinkGreen aims to use resources responsibly and, in particular, to reduce emissions. For this, it is necessary to measure and assign precisely the environmental impacts caused so that potential for improvement can be identified. The development is monitored using our group-wide life cycle assessment, which is prepared once a year and includes all national companies. This shows us the developments in the areas of transport, buildings and business trips every year. In addition, as part of the life cycle assessment data collection, information on the pollutant classes of transport and company vehicles as well as alternative drives is collected in order to be able to control sustainable development in this area with information.

Our emissions have increased in the financial year 2019/20 from 706,633 t CO₂eq to 829,737 t CO₂eq.⁴ The main reason for this is the steady growth of the GLS Group. Parcel volume rose by 5 percent to 667 million parcels in the 2019/20 financial year, which required more delivery and collection tours in national and international traffic. In the last financial year, the number of locations was increased by 13⁵ and existing locations were expanded. Another reason is that emissions from GLS Canada and the agencies in Spain were also recorded for the first time. The vehicle fleet has grown by more

than 8 percent to around 25,500 vehicles.⁶ In Spain there are an additional 2,300 vehicles of the Spanish agencies for GLS on the road.

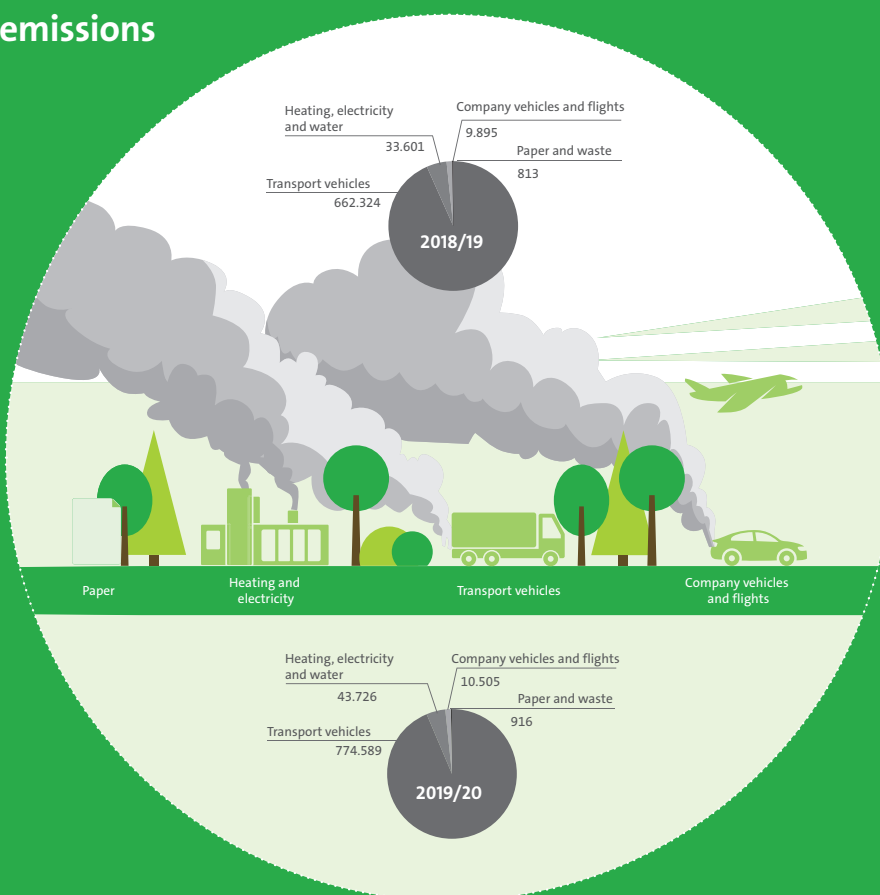
In the areas of heating and electricity, consumption rose by 37 percent in each. The reason for this is in particular the first-time consideration of the consumption of the Canadian locations as well as an increase in Italy. Taking Canada into account is also reflected in water consumption, which increased by 10 percent. The proportion of recycled paper was just under 36 percent and has therefore fallen slightly compared to the last report. The Canadian locations that have not yet used any recycled paper play a role here again. Overall, however, the paper consumption of the countries considered in 2018 was reduced by 3.7 percent.

⁴ The emissions are shown as CO₂ equivalents. The so-called CO₂ equivalents (CO₂eq) not only take into account the greenhouse gas CO₂, which has the largest share in terms of quantity, but also other gases that have an influence on the greenhouse effect. The determination is based on the categories of the Greenhouse Gas Protocol, which divides the emissions into three main areas/scopes: direct (Scope 1), indirect (Scope 2) and other indirect emissions (Scope 3). The emissions are calculated using the well-to-wheel method, i.e. a full analysis of the fuel cycle from production to its use on the road.

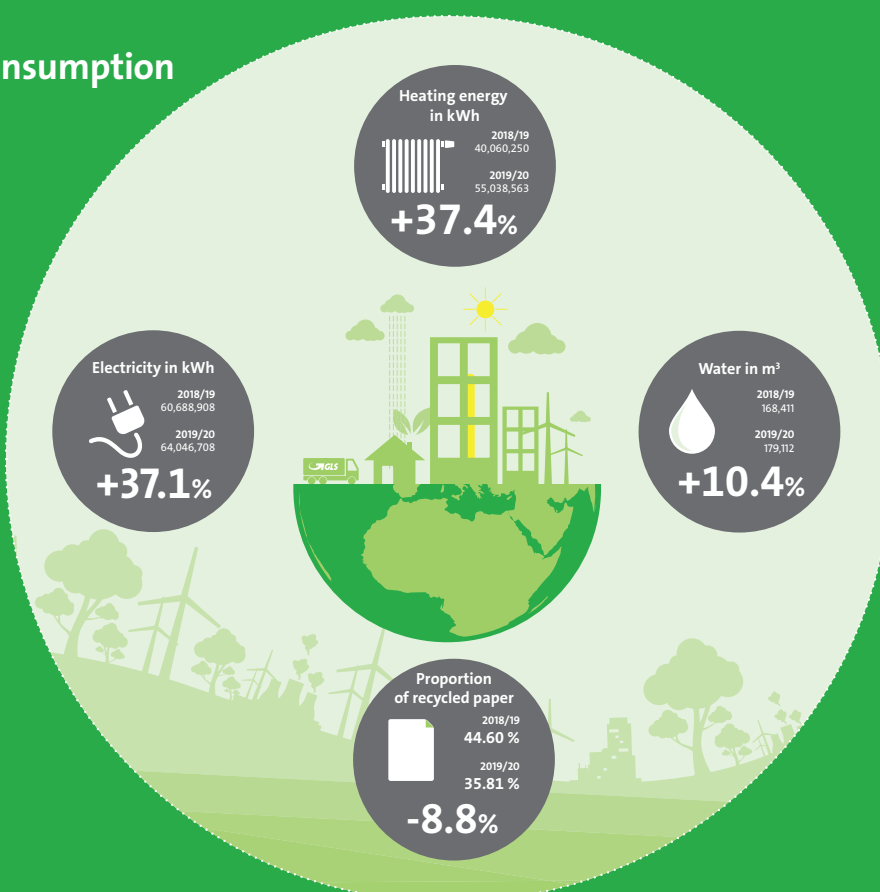
⁵ This value is accumulated from closings and new openings in the 2019/20 financial year. The locations of the newly acquired subsidiary MVE are not included here.

⁶ Only vehicles from the company's own locations are reported here. Vehicles of the franchisees and agents are not taken into account; therefore, the figures differ from the information in the summary table on p. 4.

Total CO₂e emissions (WTW) in t



Changes in resource consumption



Environmentally friendly parcel transport – city logistics and alternative drives

The transport of parcels is the core process of our business. Around 22,200 delivery vehicles⁷ and 3,300 line-haul vehicles⁸ are used for this every day. We are constantly reducing the resulting emissions by modernising the fleet in cooperation with our transport partners. The positive development continued over the past year. Over 84 percent of our transport vehicles in Europe already comply with the Euro 5 or Euro 6 standard. In cooperation with our transport partners, we are working to further improve this proportion. For example, GLS Austria and GLS Denmark have set themselves the goal of using only Euro 5 and Euro 6 vehicles for parcel delivery. In long-distance transport, GLS Austria already uses Euro 6 standard vehicles almost exclusively.

There are also examples of increased efficiency in line haul. Ten long trucks are already driving from the Dutch hub in Utrecht, which due to their size have a significantly higher loading capacity. As a result, a distance of 18,000 km can be saved every month. Also, in Germany two long trucks have been in use since April 2019, replacing three regular trucks.

The GLS Group has taken a number of measures to reduce our energy and fuel requirements. A permanent optimisation of transport and vehicle utilisation as well as the structure of our parcel network are our strategic starting points for consistently improving transport routes and minimising unnecessary driving distances. Another focus in recent years has been the use of alternative drive options and new delivery concepts for inner city areas.

In the 2019/20 financial year, we developed our concepts further in the area of city logistics and environmentally friendly parcel delivery. Numerous GLS national companies now have examples of the successful implementation of deliveries with alternative drives. One focus is currently on Germany, among other factors driven by the current challenges of cities to comply with certain limit values for air pollution. In Germany, electrically powered vehicles and bicycles with electric pedal assistance are already being used in many cities. The alternatively operated drives are often combined with micro-depots in which the

parcels are temporarily stored and then picked up for delivery during the day. This solves the problem of the lower load capacity and shorter range of the smaller vehicles in inner city areas.

GLS Netherlands actively participates in the Dutch initiative Lean & Green. This concerns the successful reduction of greenhouse gases in storage and logistics processes. The aim is to reduce emissions by 20 percent within a period of five years. GLS Netherlands has set itself the goal of emission-free deliveries in the inner-city areas of 20 cities. Six vehicles have been used so far with the aim of increasing the number to 26.

In Bratislava, a bicycle delivery driver drives for GLS Slovakia in the inner-city area. In the inner city of Krakow there are large traffic-calmed areas where GLS Poland is now using a bicycle deliverer for the first time. Nine cargo bikes were used in Budapest at the end of March 2020.

In Germany, the one-year KoMoDo project ended in summer 2019. Several CEP service providers have jointly used a site for their individual micro-depots to deliver parcels with cargo bikes. The project was so successful that the participating CEP service providers decided to extend it for an additional six months. Based on the learnings, GLS is now operating a city hub in Berlin.

⁷ These are vehicles up to 3.5 or 7.5 t. The vehicles of the agencies in Spain are not included in this figure.

⁸ Here this refers to vehicles up to 40 t.

Environmentally friendly business trips

In the case of company cars that are used, for example, for customer visits by the sales representatives, the proportion of new vehicles with Euro 5 and Euro 6 standards is almost 100 percent. Some countries have the goal of only having company cars with Euro 6 standard in their fleet, e.g. GLS Spain and GLS Finland. Overall, 86 percent of company cars across the Group already comply with the Euro 6 standard. Alternative drives are also used in company cars; there are 25 electric vehicles and 47 vehicles with hybrid drives across the Group.⁹

In seven Italian depots, GLS Italy converted the vehicle fleet of the entire management and sales staff to e-vehicles. 11 out of 15 cars are now electrically powered. The remaining vehicles are to be replaced by e-vehicles by the end of 2020. GLS Canada has the first electric company car in operation.

In order to make drivers aware of environmentally friendly driving in addition to optimum technical equipment, GLS Hungary launched an eco-driving initiative in 2018, which continues to this day. The aim is to sensitise the delivery drivers of the transport partners and employees regarding the topic of economical and ecological driving. All employees with a company car and one delivery driver per depot take part. In three depots, GLS France has provided external training for employees with company cars and employees who travel a lot for work. The topics of the training are responsible driving, reducing fuel consumption and the resulting emissions, and reducing the risk of accidents. The campaign is to be expanded to other locations.

ThinkGreen initiatives

As part of the ThinkGreen initiatives, we combine further measures in the area of climate and environmental protection. In particular, it concerns designing our headquarters and depot buildings in an environmentally friendly manner and reducing the consumption of resources.

In the case of new depot buildings and conversions, particular care is taken to minimise the impact on the environment. For example, the new depot in Amsterdam, which opened at the beginning of 2020, has a geothermal heat pump, solar collectors, automated LED lighting and prism domes that capture the sunlight on the roof and distribute it inside the building. There are also charging stations for electrically powered delivery vehicles in order to promote the change to more environmentally friendly delivery. The new freight centre of GLC Belgium in Tongeren has its own solar panels and intelligent lighting control using LEDs. At GLS Poland, as part of a depot expansion in Lublin, a change to LEDs was made.

A large proportion of our emissions in the depots are caused by our electricity consumption. That is why there are campaigns in many national companies to increase energy efficiency. Many locations have been equipped with energy-saving illumination in recent years. In addition to saving electricity, the purchase of green electricity is an important issue. GLS Spain uses 100 percent green electricity. Since June 2019 and October 2019, GLS Belgium and GLS Germany (as part of the GLS KlimaProtect programme) have also been using 100 percent green electricity. Reducing paper consumption and increasing the use of recycled paper are also issues in many countries. GLS Spain and GLS Finland only use recycled paper.

In addition to the careful and conscious use of resources, the best possible disposal is an important issue. GLS France has continued to promote the subject of recycling. This has led to an improvement in waste separation and lower waste collection costs. GLS France has also addressed the problem of ciga-

⁹ The GLS Group has a total of 1,463 company cars (as at 31.12.2019)

rette butts by hiring an external partner to recycle the cigarette butts. These are now collected separately and are then disposed of. In addition to better waste separation and proper disposal, this also makes it possible to keep the locations cleaner, as there are fewer cigarettes on the floor.

The improved use of waste as part of upcycling is also becoming increasingly important. Since September 2019, GLS Italy has been using shipping bags made from 80 percent recycled plastic, which can be reused several times. As a result, resources and greenhouse gas emissions can be saved with every shipping bag delivered. At GLS Netherlands, the GLS flags of the depots are made from recycled PET bottles. GLS Germany has also had the GLS KlimaProtect flags made from recycled PET bottles. In the medium term, all flags used are to be produced in this way.

Raising the employee awareness of environmental protection is an important issue in order to achieve further process improvements. This is why the national subsidiaries hold training courses, for example at GLS Spain there is a personal ThinkGreen training session once a year for each employee. GLS Italy has started a campaign to save electricity, with new ThinkGreen stickers and checklists (lights off, windows closed, etc.) displayed in all depots. GLS Portugal has started a project in the area of waste management and has given all employees a personal drinking bottle with logo and name for Christmas to replace disposable cups.



Introduction of GLS KlimaProtect in Germany



Since 01 October 2019, GLS Germany has been delivering all parcels 100 percent climate neutral as part of the newly introduced GLS KlimaProtect programme. This applies both to parcels that are delivered in Germany and to parcels that are sent abroad. The programme replaces the previous ThinkGreenService, with which since the end of 2011 senders have been able to book the offsetting optionally.

Reducing, avoiding and offsetting emissions

GLS KlimaProtect is based on two pillars - reduction– and avoidance as well as the offsetting of the unavoidable emissions to achieve climate neutrality. We invest in a whole range of measures to reduce or avoid emissions. These include for example:

- Use of 100 percent sustainable electricity at all German locations since October 2019
- Increased use of e-vehicles
- Expansion of charging infrastructures for e-vehicles
- Advancing zero-emission delivery in city centres
- Establishment of micro-depots close to the city

In addition to the emissions from parcel shipping, we also offset the emissions from our business activities in Germany (e.g. emissions from business trips, depots and administrative buildings by means of electricity, heating etc.) The offsetting by means of reforestation and forest protection takes effect in the short term and is demonstrably effective. For this purpose, GLS works with the non-profit association PRIMAKLIMA e.V. and offsets as part of a very high standard certified project (VCS/CCB standard) in Indonesia.



Certified offsetting

The CO2 emissions that arise are offset by a certified reforestation and forest protection project (VCS/CCB standard) by PRIMAKLIMA e.V. The emission reductions from projects that are awarded with the VCS certificate must be real, measurable, permanent, and additionally be checked by independent third parties, be unique, transparent and conservatively calculated.

The objectives of the VCS certificate meet the criteria and requirements stipulated by the Kyoto Protocol. The Climate, Community and Biodiversity (CCB) standard also certifies projects that make special contributions to the well-being of the community and biodiversity.

In addition to the mandatory criteria of the CCB, the project in Indonesia also fulfils the optional gold-level criterion “extremely positive contributions to the life of local people and to biodiversity”.

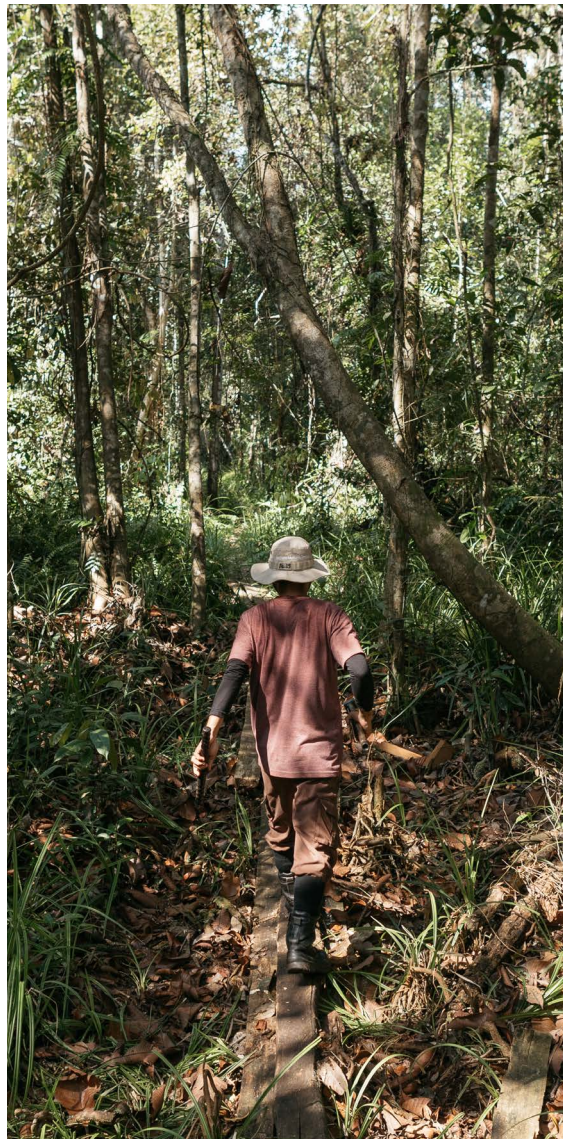
Reforestation and forest protection for the climate

In the context of GLS KlimaProtect, we offset all emissions from GLS Germany via our offsetting partner PRIMAKLIMA e.V. The non-profit association protects existing forests and plants new trees around the world for climate protection. The focus is always on involving the local population and creating new perspectives. GLS is currently supporting a project to protect peat bog forests in Indonesia.

More than three billion tons of CO₂ are released annually by the destruction of peat bog forests, especially in Southeast Asia. The peat bog forests in the project area were also facing clearing and land conversion. In order to obtain wood for the production of paper, large areas of conventionally operated acacia plantations are to be established. Preserving the forests in the project area and reforesting degraded forest areas will avoid greenhouse gas emissions totalling 480 million tonnes over a total period of 60 years.

In addition to this important function for climate protection, the project area has been designated by the IUCN (International Union for Conservation of Nature) as a key area of biological diversity due to its biodiversity. As a real hotspot of biodiversity, it offers numerous animal and plant species a valuable habitat and is home to, among other things, endangered Bornean orangutans, proboscis monkeys and white-bearded gibbons.

The positive development of the socio-economic conditions on site is an essential element of the project strategy. In the 34 surrounding villages of the project area, around 45,000 people live under very simple conditions, so that the additional income opportunities offered by the project make a valuable contribution to the reduction of poverty. 80 percent of the project employees come from the surrounding communities. Comprehensive professional education and training, for example for the production and commercial marketing of coconut palm sugar, pave the way to professional independence.



ThinkSocial

For the people of today and tomorrow

In the past financial year, there were again a variety of social activities in our national companies with which we would like to support the communities in which we operate. In the following you will find some examples from the respective countries.

GLS Austria

The colleagues in Austria regularly support the House Miriam of Caritas in Vienna with donations in kind. Here women find a place to stay in emergency situations. In addition, advent calendars were donated to the little patients in the children's cancer ward of the Linz General Hospital.

GLS Belgium

GLS Belgium has been involved since 2018 in the Homeless Cup, an international football tournament that supports homeless people in their reintegration into

„As a sponsor of the Red Devils¹⁰ it is especially important for us always to think about the people who are on the fringes of society. The fact that football can help with this project to give their lives a positive turn and a second chance is simply worth supporting.“

Luc De Schrijver
General Manager of GLS Belux

society. Once a year the gala tournament takes place, in which company teams are reinforced with one homeless player each. In 2019, ten employees from five different locations took to the field for GLS.

GLS Canada

GLS Canada partnered with Make A Wish Quebec in the last financial year and supported three large events with transport and volunteers from the Montreal office. The

cooperation is to be expanded in the future. GLS Canada has been working with Moisson Montreal for over 20 years. In the run-up to Christmas, food donations are collected from employees, which are then donated to families in need. In addition, a competition is held throughout the year in which employees can buy draw tickets. Half of the collected money can be won; the other half goes to Moisson Montreal.

GLS Czech Republic

GLS Czech Republic supports “On Bike for Children”, a foundation of Josef Zimovčák. He is a several-times world champion of high-speed racing and a participant in the Tour de France. The funds raised during the bike tours are used to fight cancer and to provide rehabilitation stays/therapies. GLS Czech Republic is also involved in the “Help me to life” project run by the organisation “Let's give children a chance”. The project supports children from the children's home who leave it after finishing school to find work.

GLS Denmark

GLS Denmark is a transport partner for Barn til barn (children's aid organisation) and also supports the children's aid organisation Red Barnet. The GLS depot in Horsens gives people who have not been employed for a long time the chance to start as “Small jobbers” with reduced working hours at GLS Denmark.

GLS Finland

GLS Finland donated advent calendars to the non-profit organisation Icehearts. This uses team sport as an instrument to attract disadvantaged children to social work.

GLS Germany

GLS Germany supports a variety of social activities in all regions. In the south-west region, there has been a free transport campaign for the Bundesverband Kinderhospiz e.V. every year since 2015. In addition, two locations take part every year in the Organic Bread Box campaign, in which healthy breakfasts are distributed

¹⁰ The Red Devils are the Belgian national football team.

to schools. As part of the annual Parcel Day, donations in kind were made to charities in several regions. For example, garden equipment such as plants, soil and gloves were donated to a residential home for mentally ill and disabled people. A speech therapy kindergarten received the desired lunch boxes as well as headphones, CD players and CDs to set up a “Hearing castle” in the kindergarten. An animal farm, where people with a mental disability or mental illness can help out during a daytime stay, was given garden materials such as wheelbarrows, clippers and tarpaulins, as well as pretzels for having breakfast together.

GLS Hungary

In 2019 another blood donation campaign was carried out. In addition, a medical practice was equipped with a defibrillator.

GLS Ireland

GLS Ireland took part in Christmas Jumper Day on December 6, 2019 to raise money for the homeless. Employees wore Christmas jumpers and donated to charities. There was also a volunteer day at the Canvas Shopping Mall in Dublin to raise funds for the Laura Lynn Foundation. GLS also took part in a community clean-up program in the region.

GLS Italy

GLS in Italy is involved in a variety of ways, particularly in the areas of health and children. In 2019, for example, the establishment of an operating room for children with facial malformations on the new children's ward of the hospital of Armenia was financially supported. A children's ward was also financially supported in Bergamo in order to acquire new equipment for the surgical treatment of cancer-related and lymphatic malformations. In Verona, GLS helped the ABEO (Associazione Bambino Emopatico Oncologico) organisation to organise a tournament for children undergoing cancer treatment. The sick children were present during the tournament and collected donations for ABEO themselves.

GLS Netherlands

GLS Netherlands is a supporter of the Hotel Heppie project of Het Vergeten Kind, a foundation that makes

it possible for children and teenagers living in difficult circumstances to go on holiday.

GLS Poland

GLS supported the Poland Business Run in September 2019, which helps people after an amputation. In addition to financial support, GLS Poland also participated as a logistics partner with free shipping. GLS Poland also supported the “Mam marzenie” foundation in collecting playthings and cuddly toys. The donations are given to children in orphanages.

GLS Portugal

GLS Portugal has just established a partnership with Aldeias SOS (Children's villages). This partnership, which makes GLS Portugal the logistics partner of Aldeias SOS, also aims to involve employees in specific campaigns to support people in difficult situations. For Aldeias SOS, the cooperation ensures the necessary support in transport, which facilitates the collection and distribution of donations from different parts of the country to the different areas of the organisation.

GLS Romania

GLS Romania financially supports several organisations in the area of children and families. Among other things, the Association Baby Care Sibiu is funded. This works in the field of neonatal medicine and tries to give the children the best possible care. The Association Copil Unicat, which is also supported, is dedicated to children with neuromotor disabilities and works for the acceptance of these children in society.

GLS Slovakia

GLS Slovakia financially supported the Patients Sports Games of the National Rehabilitation Centre in June 2019 as a sponsor, the cooperation has existed since 2015. The centre is used for rehabilitation for patients after an accident, during an illness of the skeleton or to improve the health of patients in wheelchairs. GLS Slovakia also supports the Svetielko Nádeje civic association with free transport. The organisation cares for children and young people with oncological or other life-limiting diseases. It offers services for affected children and their families from the first day of hospi-

talisation, during treatment, but also after recovery. If the treatment is unsuccessful, the family is supported by a mobile children's hospice team.

GLS Slovenia

GLS Slovenia financially supported the rehabilitation centre in Kováčová in June 2019. There, sport and exercise are used to ensure that patients recover as quickly as possible.

GLS Spain

GLS Spain has supported the “La Marató de TV3” foundation with free parcel transport and various fundraising campaigns. In addition, GLS employees have committed themselves to answering calls from citizens. GLS Spain also supports the “Fundación Española de Mastocitosis” by collecting plastic lids at the locations. Once a month these are recycled and the plastic is used for wheelchairs, for example.

The COVID-19 pandemic and its impact on GLS

The COVID-19 pandemic in 2020 was a dominant topic for all GLS national companies. Despite the associated challenges, we have continued to fulfil our supply mandate completely. Numerous safety measures have been taken to protect our employees in the depots and hubs, the transport partners and their delivery drivers as well as the recipient.

Comprehensive hygiene concepts have been drawn up in all locations and process changes have been made to ensure compliance with safety distances. We expect investments in protective measures to amount to around 7 million Euro in the 2020/21 financial year.

In addition to the locations, options for contactless delivery have been launched in all countries in order to minimise the risk of infection for delivery drivers and recipients when handing over parcels. In Germany, for example, there is now the option of issuing the deposit authorisation online. GLS Poland has implemented delivery by PIN and payment by BLIK (payment by smartphone) in order to make the interaction between recipient and delivery driver contactless.

We also had to overcome challenges in the delivery organisation, as there was a higher proportion of 2C parcels than usual and many parcels were larger than at normal times.¹¹ A major focus was therefore on daily productivity management, as for example, in Germany and Italy the number of stops per tour during the lockdown increased by 20 percent. This is due to the fact that a higher proportion of private recipients were supplied, to whom normally only a single parcel is delivered. For commercial recipients, several parcels are often delivered at the same time.

Internal and external communication was an essential part of our measures. The new hygiene measures and changes such as contactless delivery were communicated intensively to employees, transport partners and their delivery drivers as well as ParcelShop partners. Here we used a wide variety of options such as posters and stickers, but also videos and online training. We have used newsletters with regard to our senders and have updated information on the website daily. For internal communication, we have increasingly relied on intranet platforms through which employees can be kept up to date. Social media were also an important communication platform for numerous dialogue groups.

There were also activities to support the delivery drivers in their daily work and to thank them. GLS Germany has distributed 5,000 corona sets to the delivery drivers with masks, gloves, disinfectants, sweets and information on correct delivery.



¹¹ In April and May 2020, the group-wide average rose by around 50 percent for B2C parcels, while B2B parcels showed a decrease of around 20 percent.



As far as possible, our commercial employees worked in their home office in all national subsidiaries. For this purpose, the IT infrastructure was intensively expanded in order to create the technical possibility for the home offices of as many employees as possible and, for example, to enable more video conferences. Working in an home office was a new experience for many employees and GLS has tried to support them as much as possible. GLS Portugal has put together a list of tips on how to work successfully in the home office. GLS Germany, together with its brand ambassador Julian Reus¹² has created various videos on the subject of fitness for employees in the Home office.

Even in the Corona crisis, there were opportunities for on-site social engagement. For example, GLS Czech Republic has created guidelines for protecting recipients and delivery drivers, which were sent to our customers directly by email. There was also information on Facebook and on the website where the document could be downloaded for free. GLS Poland donated masks to a hospital in Radom and an emergency ward in Bielsko Biala. Visors for hospitals were also transported free of charge, as were parcels with prizes for the Poland Business Run competition. During the competition, prizes were given to videos showing how students cope with studying at home during the pandemic. GLS Romania supports NGOs that help older people, for example. "Fundația Comunitară Sibiu" is among them, which GLS supports in the fight against COVID-19. GLS Germany donated money to the Bavarian Parents' Association, which was used to purchase laptops for needy students. GLS Italy has assisted in various regions with free transportation of masks and medical equipment.



¹² Julian Reus is Germany's record holder over 60 m and 100 m. GLS Germany sponsors him since 2018.



Outlook

In the financial year 2020/21, we will focus on coping further with the consequences of the COVID-19 pandemic. In addition, we would like to continue our growth, with a focus on continuous quality assurance with increasing parcel volumes.

In the area of sustainability, we are working on making ourselves even more professional. The basis for this is our climate strategy, which will define long-term emission targets for all national companies and at Group level. In this context, the topic of city logistics in connection with alternative drives remains very important. We still have numerous pilot projects that bring us new knowledge and help with the continuous development of environ-

mentally friendly parcel delivery. In addition, there are already many examples of successful continuous operation with alternative drive vehicles.

We will continue and strengthen further our social commitment in all countries.

For the 2021/22 financial year, we plan to publish our fifth sustainability report, which will again be more comprehensive and comply with the GRI guidelines.

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