



“COVID-19 DHL Express”DHL Express USA Greg Hewitt 18 DHL Supply Chain DHL eCommerce Solutions 2021 Expedited Max DHL Global Forwarding 2021

Kraig Foreman DHL Supply Chain DHL eCommerce Solutions 2021 Expedited Max DHL Global Forwarding 2021

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E-commerce is fundamentally changing approaches to supply chain sustainability in the United States, according to new research published by DHL, the leading global express and logistics company. A new white paper – “ECO-mmerce: How online retail can build the sustainable supply chain of tomorrow” – argues that the rapid growth of e-commerce is bringing immediate opportunities to reduce emissions within the supply chain while also challenging retailers, logistics providers and policy-makers to collaborate and innovate to address the risks of climate change.

A DHL / Morning Consult survey of U.S. consumers in May 2021 found that more than half of respondents (54%) indicated their online shopping habits increased during the COVID-19 pandemic, while the majority (60%) said they are willing to pay more for environmentally friendly products or services. 54% stated they put more trust in a company based on public commitments to environmental sustainability with carbon emissions, green energy, waste, alternative fuels and sustainable packaging identified as the five most important factors in helping the environment. The survey results reflect the influential role that supply chain sustainability will play in the competitiveness of e-commerce businesses in the future.

DHL’s white paper, produced with the support of FINN Partners’ Global Supply Chain, Logistics & Transportation Practice, and incorporating insights from executives of DHL’s express, supply chain and e-commerce business units in the U.S looked in detail at the five segments of the e-commerce supply chain that are most exposed from a sustainability perspective – the last-mile, first and mid-mile, warehousing, packaging and returns. It highlighted that the greatest impact is likely to be derived from three key areas of focus: cleaner energy, through more electrification of transportation fleets and warehousing operations; increased efficiency, supported by data and technology; and eco-friendly materials, particularly in packaging. E-commerce is already having a net positive impact on the environment compared to traditional retail in a number of areas, such as replacing multiple passenger car trips with single round trips with delivery vans and accelerating investments in greener transport and warehousing technologies. In other areas, the potentially negative impact of some trends, such as a proliferation of smaller warehouses closer to customers, is being offset by other effects such as the optimization of retail networks and the introduction of greener energy supplies and automated equipment. The white paper also addresses areas, such as aviation, electric vehicle charging infrastructure and packaging that will likely require further technological innovation or support from policymakers in order to totally eliminate emissions.

“The rise of e-commerce has been further accelerated by COVID-19, and it is now well established as

a significant driver of growth for DHL Express in international business-to-consumer and business-to-business shipments as we emerge from the pandemic,” said Greg Hewitt, CEO, DHL Express USA. “At the same time, the last 18 months have also underscored the importance of resilience and sustainability in the global supply chain. Our e-commerce customers have already demonstrated their ability to build innovative, disruptive businesses and to be one step ahead of consumer expectations. This research provides practical insights for those e-tailers that wish to lead on environmental issues on where they should focus their energies within their supply chain. As a logistics leader that has committed to ambitious environmental targets, it also supports our own understanding of how we can best support them on that journey and where our investments in green solutions and technologies, such as electric vehicles, can be most effective.”