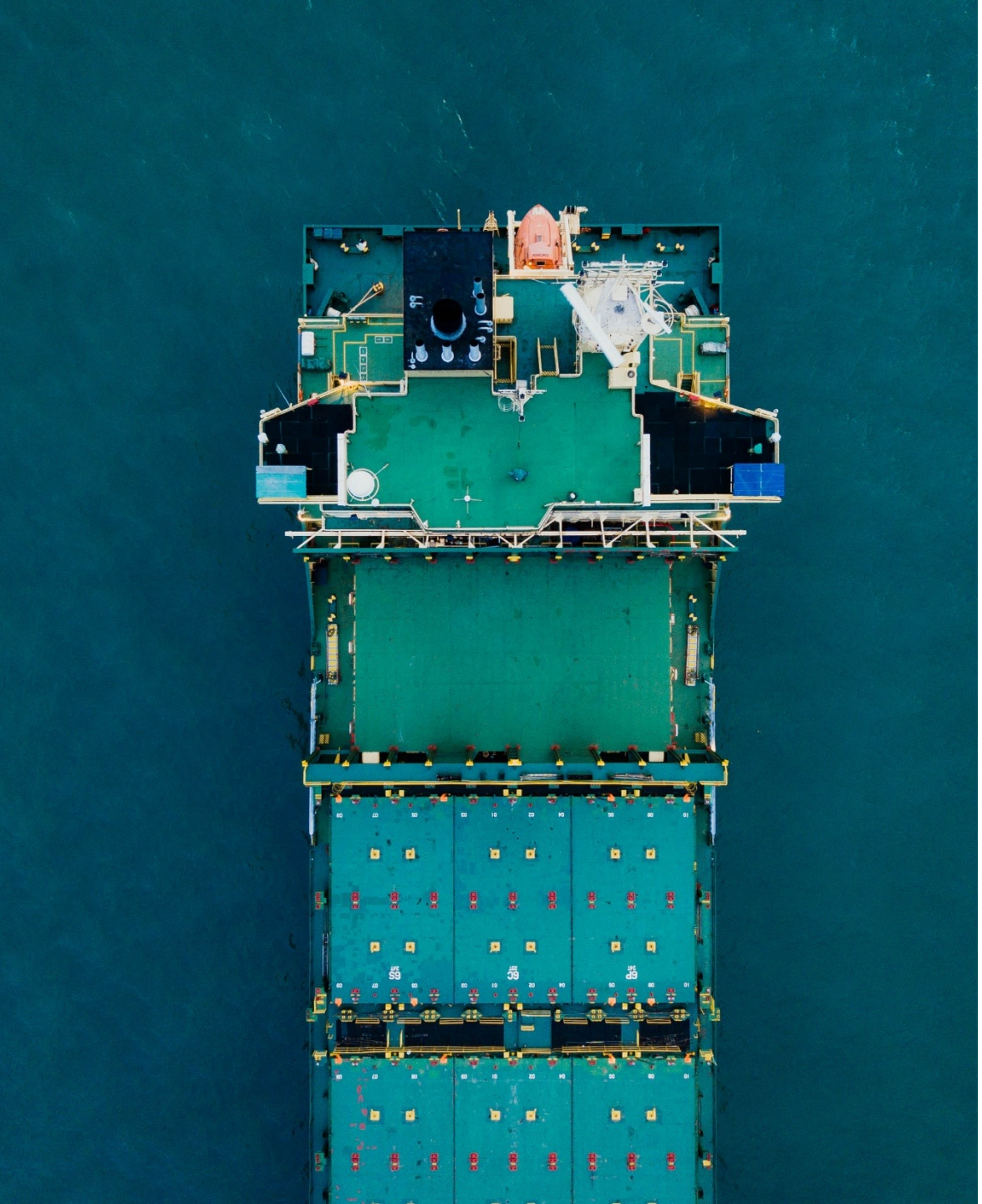
Smart Freight Centre

How companies and policies can help achieve Zero Emission Trucks

Join our journey to zero emission logistics

January 2023



Smart Freight Centre

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Who are we?

We guide the global logistics industry to track and reduce its GHG emissions to

Reduce **ONE** billion tonnes CO_2e by **2030**

and to reach

ZERO emissions by **2050**

or earlier!

We are an international non-profit organization focused on reducing greenhouse gas emission from freight transportation

We collaborate with our global partners to quantify impacts, identify solutions, and propagate logistics decarbonization strategies

We work with global multinationals to decarbonize logistics

Multinationals hold the key to decarbonize logistics due to their purchasing power, but struggle to implement…

GLEC GLOBAL LOGISTICS EMISSIONS COUNCIL

LED BY SMART FREIGHT CENTRE

Companies

DB SCHENKER

Deutsche Post DHL Group

DOW

DSV PANALPINA

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KUEHNE+NAGEL

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SCANIA

Unilever

VOLKSWAGEN KONZERNLOGISTIK

PEPSICO

P&G

Associations

cefic

CLECAT

ESC

Four steps to decarbonize logistics

Smart Freight Centre

1 Baseline emissions from multimodal supply chain

Where are we now?

2 Set targets for emission reduction that are science-based

Where are we going?

3 Reduce emissions by implementing solutions as buyer or supplier

How do we get there?

4 Collaborate and advocate for sector-wide action and supportive policy

What do we need?

In road freight, we designed the Fleet Electrification coalition to purchase 100k+ medium and heavy duty vehicles

The power of demand aggregation

Aggregated demand allows OEM's to confidently scale up production volumes based on clear sales outlook and simplified vehicle specifications

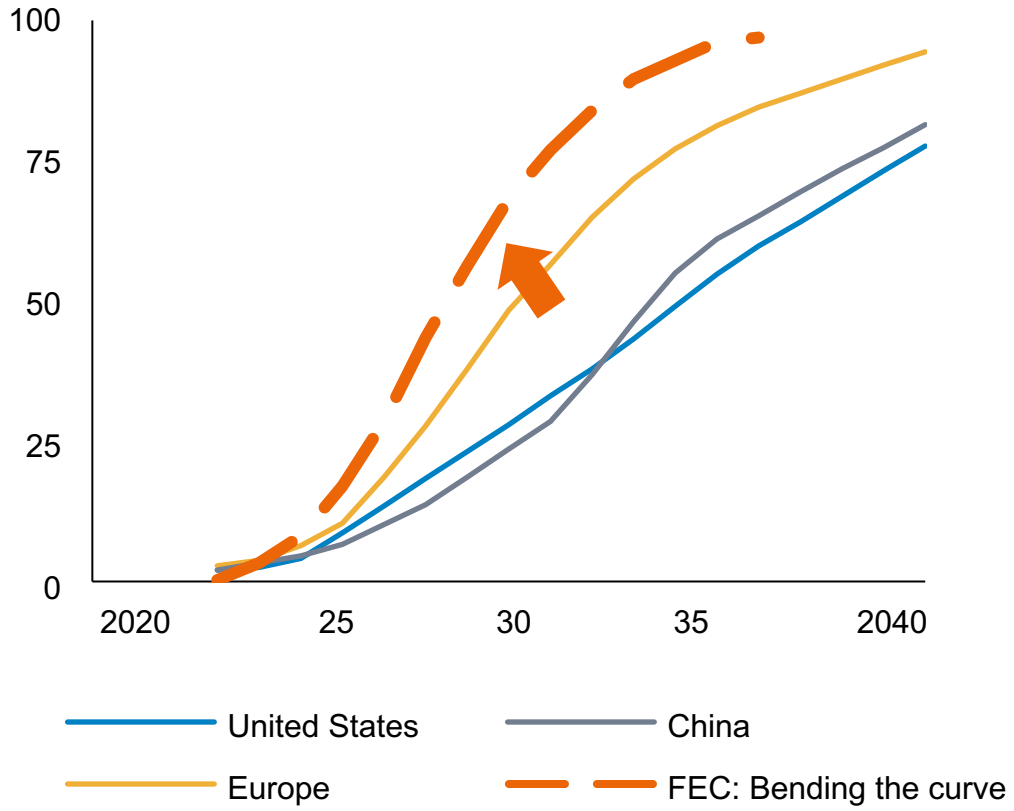
Aggregated demand allows charge point operators to better plan the required charging network design and required capacity

Aggregated demand opens the door to contract incentives and new financing solutions. This reduces entry barriers for 3rd party providers and SME's

India has shown this works for the bus sector!

Bending the curve for fleet electrification

Adoption projections for e-trucks



It is setting out to address the four key steps in the value chain over time

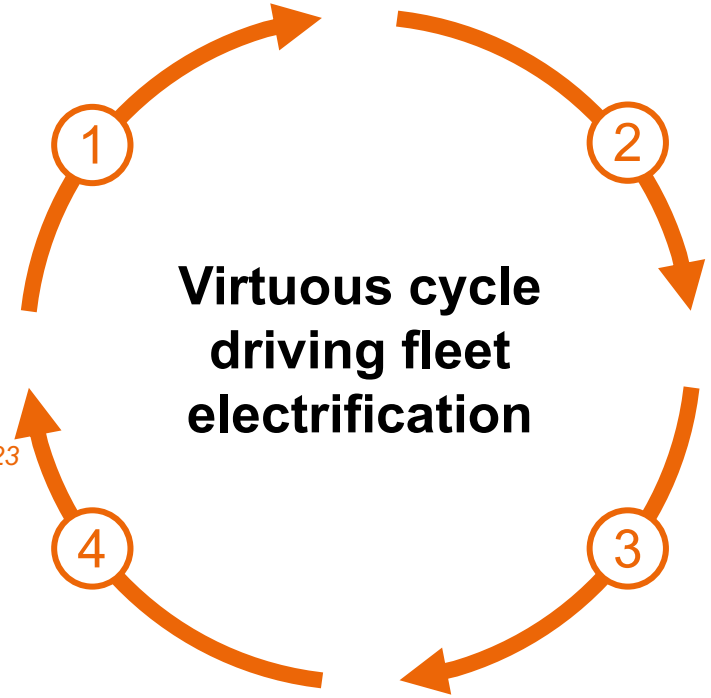
Sustainable Freight Buyers Alliance
Led by Smart Freight Centre

BEV demand aggregation and procurement strategy

Create clear demand signals for the market, jointly deploy ZE MHDVs and partner with OEMs to increase supply (led by leaders) and lower cost

Charging infrastructure optimization

Jointly enable and facilitate deployment of the right infrastructure to sustain and operate the increased supply of e-trucks



Outside current planning document, to be tackled from October 2023

Battery lifecycle

Jointly ensure end-of-life components are reused and recycled in a sustainable way

Solutions for 3rd party providers, including SMEs

Ensure access (availability, financing, etc.) to increased supply for all, and lower barrier to adoption by onboarding the main stakeholders (for ~80-90% of trucks in EU, and ~40-50% in the US)

Source: McKinsey

Why now and what policies?

Logistics is largely a private sector operations, most private organizations are cost sensitive. I.e. if policies can create TCO parity, business will make the switch.

- Policies can support businesses, especially in decreasing TCO: make fleet electrification more appealing – e.g. by taking up residual risks
- Ensure the permits for charging infrastructure do not become a bottleneck: New business models emerge
- Ensure that OEMs deliver the required volumes: CO2 targets work!
  - Avoid loopholes to for instance efuels or dumping of the ICE vehicles
- Ensure that Fleets follow through on their commitments: Mandatory reporting of their performance (emission intensity)

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Join our journey towards efficient and zero emissions global freight and logistics

Rik Arends

Director Sustainable Freight Buyers Alliance