

## Net zero carbon target by 2040: Swiss Post plans to actively extract carbon from the atmosphere through forest management

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Net zero carbon emissions by 2040 - that is Swiss Post's ambitious climate target. Swiss Post plans to reduce its carbon emissions by around 90 percent by 2040. The remaining 10 percent of carbon emissions that cannot be prevented via technological means by that date will be extracted from the atmosphere and stored in the long term. To achieve this, Swiss Post is focusing on various natural methods. One of these is forest management, because a sustainably growing forest removes CO<sub>2</sub> from the atmosphere and stores it in the wood. For this reason, Swiss Post is investing in forests and careful forest management. It has signed a first purchase contract for an area of forest in Thuringia in Germany.

Swiss Post believes that climate protection cannot wait until tomorrow, and this is why it is acting today. Swiss Post aims to be carbon neutral in its in-house operations from 2030 and to achieve net zero throughout its entire value chain, i.e. in all of its activities in upstream and downstream processes, such as with suppliers and subcontractors, from 2040. Swiss Post's first priority is to rapidly reduce its own carbon emissions. The biggest leverage it has is electrifying its vehicle fleet. Today, around 50 percent of all Swiss Post vehicles on the road are already emission-free. As a second priority, Swiss Post is investing heavily in renewable energies and replacing fossil fuels. To this end, it is operating more and more solar systems on the rooftops of its properties, such as letter and parcel centers.

### **“The CO<sub>2</sub> that we cannot reduce must not remain in the atmosphere”**

These measures will enable Swiss Post to reduce its emissions by around 90 percent by 2040. Even so, there will still be around 10 percent of residual emissions after 2040. “The CO<sub>2</sub> that we cannot reduce ourselves must not remain in the atmosphere. We plan

to actively extract it from the atmosphere through various measures and store it in the long term,” says Roberto Cirillo, CEO of Swiss Post. High-quality and effective technical carbon neutralization services hardly exist on the market at present. This is why Swiss Post is taking action itself. Given current capabilities, Swiss Post is focusing on “natural” methods to extract CO<sub>2</sub> from the atmosphere. One of these methods is sustainable forest management. When trees grow, they extract carbon from the atmosphere and store it in their wood. To ensure lasting carbon capture, the wood must be used in the long term – for example, as sustainable construction timber or for the production of vegetable carbon (see box). When considering possible investments, Swiss Post is guided by clear criteria: “For us, the focus is on the carbon storage potential of forest growth and sustainable use of wood,” explains Roberto Cirillo, CEO of Swiss Post. To implement this kind of long-term commitment, sufficiently large forest or land space must be available in Switzerland or European countries with a comparable level of political and legal stability. For this reason, Swiss Post signed a purchase agreement with the owner of a forest in Germany in June

2023. The area in question is approximately 2,400 hectares of forest and is located in the German state of Thuringia. The actual acquisition of the forest is planned for autumn 2023. The parties have agreed not to disclose the purchase price or the terms.

### **Climate protection is one of the four pillars of the “Swiss Post of tomorrow” strategy**

Assuming corporate responsibility and achieving the climate target is part of the current “Swiss Post of tomorrow” strategy, alongside growth, efficiency and reasonable prices. Swiss Post’s climate target is in line with the highest ambition set out by the Science Based Targets initiative (SBTi) and will contribute to limiting global warming to 1.5 °C. The company’s climate and energy target conforms to the strategic goals established by the Federal Council and the Swiss Confederation’s Energy Strategy 2050. As an enterprise affiliated with the Confederation, Swiss Post is expected to adhere consistently to its predefined CO<sub>2</sub> reduction targets. And even more so following the Climate and Innovation Act passed in the referendum on 18 June 2023. “If we are serious about meeting our SBTi-based targets, we must also actively extract CO<sub>2</sub> from the atmosphere. That’s our long-term strategy,” explains CEO Roberto Cirillo. Forest management is currently the most effective method of doing so. Swiss Post constantly

analyzes other methods. In doing so, it carefully examines each investment, while also taking account of economic aspects. As there are still many developments to be expected in the field of carbon capture and long-term storage, Swiss Post has set up an advisory board comprising experts on sustainability, climate and energy.

In order to build up its neutralization portfolio, Swiss Post founded the wholly-owned subsidiary Post CDR Ltd in 2022. CDR stands for carbon dioxide removal.

### **Swiss Post also removes CO<sub>2</sub> through vegetable carbon**

Another natural way to actively extract CO<sub>2</sub> from the atmosphere is to store it in soils using specially produced vegetable carbon. This measure has already taken Swiss Post one step further on its chosen course. Specifically, Swiss Post has signed an agreement with the company First Climate (Switzerland) AG to support a project. The company Inkoh AG produces vegetable carbon in Maienfeld in the Canton of Graubünden. Vegetable carbon can be used in agriculture or to capture CO<sub>2</sub> in durable construction materials such as concrete or asphalt. Vegetable carbon stores carbon for a long time.

Source: [Swiss Post](#)