

We are issuing this statement as long-term investors, investment consultants, and supporters of ShareAction's Long-Term Investors in People's Health (LIPH) programme¹, with **\$1.818 trillion** of assets under management and exposure to the freight and logistics sector, where air pollution is increasingly translating into material health and financial risk. **We see a clear opportunity for companies in this sector to take early action to protect long-term value and improve outcomes for workers and local communities. Progress across the sector has been limited to date, prompting this statement.**

Air pollution is responsible for millions of premature deaths each year and is the second global risk factor for death, ahead of tobacco and poor diet, including for children under five years². Road transport is a major contributor to air pollution in urban areas³ and to associated health damage costs⁴. Commercial vehicles, including last-mile delivery trucks and vans, emit nitrogen oxides (NOx) and particulate matter (PM2.5 and PM10) from both exhaust and non-exhaust sources, such as tyre and brake wear⁵. **These pollutants are linked to respiratory and cardiovascular disease, premature mortality⁶ and broader environmental harms, including climate change and nature loss⁷.**

Air pollution carries profound societal, environmental and macroeconomic consequences. **It is among the most damaging health risks in investment portfolios, costing the global economy \$6 trillion annually through healthcare costs and lost workforce productivity – equivalent to around 5% GDP in many countries⁸ - with costs projected to rise sharply by 2060⁹.** Pollution related nature loss, such as soil degradation from pollutant deposition, is also likely to impose further economic burdens¹⁰.

For companies, air pollution presents escalating regulatory, legal, and financial risk. **High-emitting sectors relying on road transport in urban areas - including freight and logistics companies - face increasing exposure to strengthened air quality and vehicle emission standards, city-level taxes and penalties, such as clean air zones, and expanding disclosure requirements under frameworks, such as the EU's CSRD, SASB and GRI.** European vehicle standards are increasingly shaping global regulatory norms – including in emerging markets - and forthcoming regulations, such as Euro 7, will cover non-exhaust emissions (NEEs) from tyres and brakes. **Litigation risk is also rising, now encompassing regulatory breaches, human rights claims, and greenwashing allegations, as demonstrated by cases such as Dieselgate¹¹.**

While some companies have begun to address air pollution, most strategies remain narrowly focused on greenhouse gas emissions, leaving gaps in tackling non-GHG pollutants, such as PM2.5. Disclosures remain inconsistent and incomplete, with few companies recognising air pollution as a material business issue or transparently reporting associated risks and opportunities. Even fewer are taking proactive steps to reduce emissions and mitigate health impacts for employees and communities¹²¹³.

As long-term investors, investment consultants, and supporters of ShareAction's LIPH programme, we believe the freight and logistics sector has an opportunity to demonstrate leadership. **Early action can protect corporate value, reduce long-term risk, avoid compliance shocks and stranded assets, and improve operational efficiency, workforce and local community health, and supply-chain resilience¹⁴.** Leading companies, including participants in the World Economic Forum's Alliance for Clean Air, are already demonstrating the benefits of integrating air pollution action alongside climate and nature strategies¹⁵.

We, the undersigned, recognise both the risks posed by air pollution and the opportunity to protect long-term portfolio value while supporting improved health outcomes. **We therefore urge companies in the freight and logistics sector to:**

- 1) Recognise air pollution as a material business issue** with clear implications for risk management, workforce and community health, climate and nature strategies, and long-term value creation
- 2) Measure and disclose key health harming air pollutants,** including PM2.5, across owned operations and value chains, in line with emerging reporting expectations
- 3) Set time-bound reduction targets for priority air pollutants,** aligned with regulatory trajectories and emerging best practice
- 4) Accelerate the transition to cleaner vehicle fleets,** including setting EV and zero emission vehicle targets, reducing diesel reliance, and engaging vehicle manufacturers and infrastructure providers to scale deployment
- 5) Engage in industry and policy initiatives that support effective action on air pollution,** including addressing non-exhaust emissions and strengthening enabling policy frameworks

We also call on standard-setting bodies and governments to strengthen mandatory corporate disclosure requirements to level the playing field, drive improved practice, reduce emissions and ultimately support a healthier economy and population.

Signed:

Achmea BV

Achmea Investment Management

Adrian Dominican Sisters

AkademikerPension

Barrow Cadbury Trust

BlackPoint Asset Management GmbH

CMA Impact Inc part of Canadian Medical Association Group of Companies

Coöperatie Univé U.A

Congregation of St. Joseph

Daughters of Charity, Province of St. Louise

Ecofi Investissements

Ethos Engagement Pool International

Ethos Engagement Services Clients

Ethos Foundation

Global Systematic Investors LLP

HS Trustees Ltd.

IQEQ

Klaverblad Verzekeringen

La Banque Postale Asset Management

La Financière de l'Echiquier

LifeArc

Mercy Investment Services

Miller/Howard Investments

Mirabaud Asset Management

Nla Impact Capital

Path Financial

Pensionskasse Basel-Stadt

PIRC

Stichting Pensioenfonds Huisartsen

Trustee Sustainability Working Group

VGZ

¹ ShareAction. (2026). Long Term Investors in People’s Health (LIPH) initiative. Available at: <https://shareaction.org/investor-initiatives/long-term-investors-for-peoples-health> [Accessed January 31, 2026]

² Health Effects Institute. (2024). State of Global Air Report 2025. Boston, MA: Health Effects Institute Available at: <https://www.stateofglobalair.org/resources/report/state-global-air-report-2025> [Accessed January 31, 2026]

³ Karagulian F, Belis CA, Dora CFC, Prüss-Ustün AM, Bonjour S, Adair-Rohani H, Amann M. (2015). Contributions to cities’ ambient particulate matter (PM): A systematic review of local source contributions at global level. Atmospheric Environment, 120, 475–83.

⁴ United Nations Economic and Social Council. (2022). Cost of inaction. Available at: https://unece.org/sites/default/files/2022-10/ECE_EB.AIR_2022_7-2215043E_0.pdf [Accessed January 31, 2026]

⁵ Transport for London (TfL). Air Quality. Available at: <https://tfl.gov.uk/corporate/about-tfl/air-quality> [Accessed January 31, 2026]

⁶ Vohra K, Vodonos A, Schwartz J, Marais EA, Sulprizio MP, Mickley LJ. (2021). Global mortality from outdoor fine particle pollution generated by fossil fuel combustion: Results from GEOSChem. Environmental Research, 195, 110754.

⁷ ShareAction. (2026). Breath of Fresh Air: the risks of air pollution and the opportunity beyond toxic assets. Available at: <https://shareaction.org/reports/a-breath-of-fresh-air> [Accessed January 31, 2026]

⁸ World Bank. (2025). Accelerating Access to Clean Air for a Liveable planet. Available at: <https://documents1.worldbank.org/curated/en/099032625132535486/pdf/P502230-d16d0858-2e18-41df-a7a6-f1188121ac83.pdf>. [Accessed January 31, 2026]

⁹ OECD (2016), The Economic Consequences of Outdoor Air Pollution, OECD Publishing, Paris. <http://dx.doi.org/10.1787/9789264257474-en> [Accessed January 31, 2026]

¹⁰ UNEP-FI. (2025). Economics of Land Degradation Initiative (2015 reported in Accountability for Nature. Available at: https://www.unepfi.org/wordpress/wp-content/uploads/2025/02/Accountability-for-Nature_V1_2.pdf [Accessed January 31, 2026]

¹¹ ShareAction. (2026). Breath of Fresh Air: the risks of air pollution and the opportunity beyond toxic assets. Available at: <https://shareaction.org/reports/a-breath-of-fresh-air> [Accessed January 31, 2026]

¹² World Benchmarking Alliance. (2026) Urban & nature benchmarks. Available at: <https://www.worldbenchmarkingalliance.org/> [Accessed January 31, 2026]

¹³ GRI (Global Reporting Initiative). (2026) Available at: <https://www.globalreporting.org/media/ryqjjm1z/the-air-pollution-reporting-gap.pdf> [Accessed February 24, 2026]

¹⁴ ShareAction. (2026). Breath of Fresh Air: the risks of air pollution and the opportunity beyond toxic assets. Available at: <https://shareaction.org/reports/a-breath-of-fresh-air> [Accessed January 31, 2026]

¹⁵ World Economic Forum. (2026) Alliance for Clean Air. Available at: <https://initiatives.weforum.org/alliance-for-clean-air/home> [Accessed January 31, 2026]