

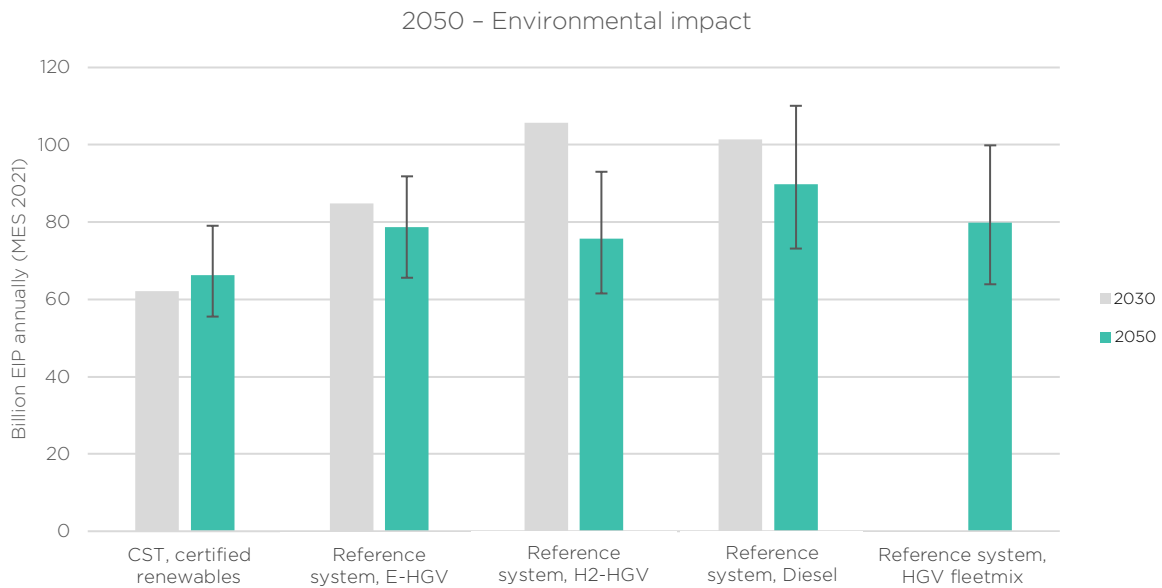


Press release of Cargo sous terrain AG

Basel, October 26, 2023

Updated life cycle assessment confirms environmental benefits of Cargo sous terrain

Cargo sous terrain has renewed the Life Cycle Assessment (LCA) for its overall logistics system. The study confirms earlier findings that CST has a significantly lower environmental and climate impact than road transport, even in a future with new heavy-goods vehicle (HGV) propulsion technologies. There have also been personnel changes on CST’s Board of Directors.



Annual environmental impact of CST, the reference systems, and the projected truck fleet mix in 2050 and 2030.

According to the updated LCA, Cargo sous terrain achieves an overall reduction in environmental impact compared to current transport systems with diesel trucks. Also in comparison to electric and hydrogen heavy goods vehicles (HGVs), CST achieves a better result against the reference scenario with the average energy mix in 2030. Even further into the future (in 2050), CST consistently shows better results.

Beyond the impacts identified in the LCA, CST yields additional benefits that cannot be quantified fully, if at all, with LCA methods. These factors include key benefits of CST such as congestion and accident reduction. Also outside the boundaries of the model are the space efficiency for CST customers or the bundling effects thanks to the digitally controlled pre-sorting of goods in the tunnel system. These come into play in the delivery of small shipments on last mile delivery in cities.

A scientific study by Swiss university ZHAW has shown that the CST tunnel and city logistics help reduce the daily mileage of trucks in urban Zurich by 25% and greatly relieve the city

in terms of traffic. The first components of CST city logistics are already in use today - for example with the SalüBox pilot project. Recently, food company Goodmarket joined the project as a partner. It sells fairly purchased and slightly deformed organic vegetables and thus supports local agriculture. The vegetable baskets can now also be picked up at the SalüBox parcel boxes.

Change of personnel in the board of directors

With Rainer Deutschmann, a long-standing member has left the Board of Directors. Rainer Deutschmann has actively supported CST since its beginnings more than 10 years ago, first as a representative of the Swiss Retail Trade Interest Group (IG DHS). Under his leadership, the group commissioned the first CST feasibility study. Deutschmann moved from Manor to Migros in 2016. Since the founding of CST AG in 2017, he was a member of the Board of Directors, where he represented the interests of retail and logistics companies until his resignation on June 30, 2023. He will remain Migros' delegate in CST's shareholder body after his departure from the Board of Directors.

"Rainer Deutschmann is one of the visionaries who helped the Cargo sous terrain project achieve its breakthrough," commented Marco Rosso, Chairman of the Board of Directors. "For more than a decade, he has significantly supported and helped to shape CST. We owe him our deep gratitude for his dedicated and constructive work on behalf of the CST project."

With the election of Susanne H. Sesselmann, CST gains a board member with extensive experience in financing of global infrastructure projects. The Austrian citizen has worked in international banking for 20 years, including ten years of investment banking and project finance. She is a member of the supervisory board of the British mining company Meridian Mining UK S and has been teaching at universities in Paris and Linz for many years. With in-depth expertise in finance and infrastructure, she brings crucial know-how for the future phases of CST's implementation.

Further information for the media

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