

# DrivingChange™

Corporate Social Responsibility  
Report 2018



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We are  
DPDgroup



## Our vision

2018 has been another year of growth in which our intra European volumes grew by 12%, driven mainly by e-commerce evasion. We've delivered more than 1.3 billion carbon neutral parcels, consolidating our position as a leader on the European Courier, Express and Parcel (CEP) market. We have entered, however, a more challenging environment, with strengthened competition, price pressure, driver shortages, increasing last mile delivery costs and new urban operating rules due to congestion, and pollution in dense urban areas.

In this context, the company must focus more than ever on key aspects including quality of service, urban logistics, service innovation, and people management. The DPDgroup Corporate Social Responsibility programme DrivingChange supports our core business priorities and focuses on areas where we can make the difference and supports the evolving needs of our society.

We have implemented a market-leading carbon neutral commitment since 2012. Having met our 2020 carbon reduction target well in advance, we have defined a new carbon reduction target of 30% per parcel by 2025 in order to ensure that our core operations to gain even more efficiency and implement low carbon technologies on the road and in our facilities.

We are paving the way for smart urban logistics by combining a best-in-class customer experience with a seamless

operational footprint in the city. We constantly adapt our processes to new operating conditions in order to protect the environment and improve quality of life in cities. In 2018, our European business units deployed 43 smart urban delivery solutions in 7 countries (in cities such as Warsaw, London, Berlin, Barcelona, Tallin...) including urban facilities with customer-centric features and low carbon emission delivery methods. Chronopost France announced its commitment to make deliveries in Paris with 100% low emission means by mid-2019, a first in our sector in France. These are crucial steps to position us as the delivery experts and better contribute to limitation of pollution and congestion in city centres.

Our commitment reflects La Poste's CSR strategy, our shareholder, which aims to go beyond compliance, in order to set an example in the industry and to support the societal transformation in terms of carbon emissions, digital responsibility, and the ecological transition.

This communication on progress confirms our commitment to the Sustainable Development Goals (SDGs) which help guide our sustainability strategy.

On behalf of DPDgroup, I express my continued support for the UN Global Compact and renew our ongoing commitment to the initiative and its principles.



**Paul-Marie Chavanne**  
President and CEO  
of GeoPost

# DPDgroup at a glance

DPDgroup is Europe's second largest parcel delivery network.

DPDgroup combines innovative technology and local knowledge to provide a flexible and user-friendly service for both shippers and shoppers, the final customers. With its industry-leading Predict service, DPDgroup is setting a new standard for convenience by keeping customers regularly informed on the progress of their delivery.

With more than 75,000 delivery experts and a network of more than 42,000 Pickup points, DPDgroup delivers 5.2 million parcels each day through its DPD, Chronopost, SEUR and BRT brands.

DPDgroup is the parcel delivery network of GeoPost, which posted sales of €7.3 billion in 2018. GeoPost is a holding company owned by the French company Le Groupe La Poste.



## Who we are



## Facts and figures



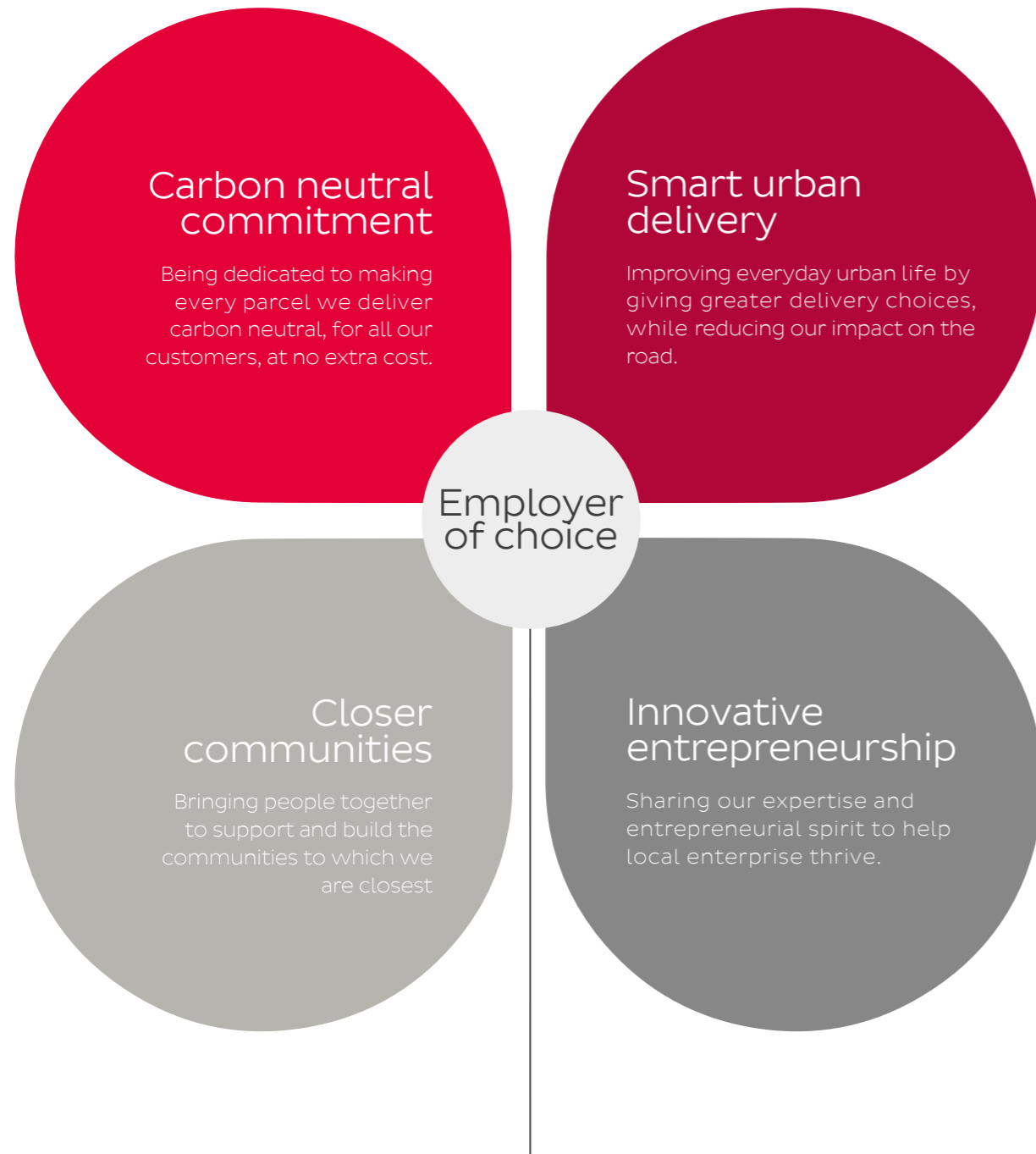
# Our DrivingChange programme

Paving the way to a more sustainable business, DrivingChange is DPDgroup's CSR programme – a programme inherent to who we are and how we do business.

DrivingChange focuses on four priorities where we feel we can make the most meaningful difference within parcel delivery and beyond: by reducing and neutralising our carbon footprint; providing smarter

and more efficient urban delivery solutions; driving innovation inside and out; and building meaningful connections in the communities where we work.

At the heart of these four priorities stands being an Employer of Choice. Providing a mindful, respectful and ethical workplace for all employees and partners forms the foundation of our business and an aim to which we all contribute in our day-to-day practices.



Providing a mindful, respectful and ethical workplace for all our employees and partners.

# CSR Governance

At DPDgroup, governance of Corporate Social Responsibility starts at the highest level of our company. Our most senior decision-makers help to define our CSR strategy and oversee its implementation, supported by a robust governance structure designed to enable the management of environmental, social, and ethical topics throughout our business.

Since its launch in 2016, our Corporate Social Responsibility strategy, DrivingChange™, reflects the high standards and sector-leading ambitions of Le Groupe La Poste. Importantly, it focuses on the environmental and social issues where we stand to make the greatest difference. Given our strong presence in Europe, we seek to create positive local impacts in all the European countries where we operate, helping to lead the way on accelerating the low carbon transition and digital responsibility.



# Working with international standards

DPDgroup follows a range of international Corporate Social Responsibility standards:



We follow the United Nations Environmental Programme's (UNEP) recommendations for a carbon neutral world by the end of the century through our partnership with CO2logic, and are developing a low carbon strategy based on the Science Based targets initiative to stay within a 2 degree trajectory towards 2100.



We have adopted the ISO 14001 management system standard within our operations to guarantee a structured approach to the management of environmental issues. This standard covers 74% of employees.

# Our commitment to the United Nations Global Compact

Our DrivingChange programme is based on our company's strong values and culture of integrity. In 2016, DPDgroup joined the United Nations Global Compact and committed to its Ten Principles related to human rights, labour conditions, environmental preservation and anti-corruption. The UN Global Compact is a voluntary initiative to implement universal sustainability principles. It was launched in 2000 by Kofi Annan, former UN Secretary General.

By embracing and incorporating the Ten Principles of the UN Global Compact into our operations, we are not only upholding our basic responsibilities to communities and to the environment, but also setting the stage for our group's long-term performance and success.

As part of its commitment to the UN Global Compact, DPDgroup is required to communicate its progress on

the Ten Principles. This report serves as DPDgroup's Communication on Progress (COP). DPDgroup reached the Global Compact Active level in 2017 and 2018.

The strategy of the UN Global Compact is to drive business awareness and action in support of achieving the Sustainable Development Goals (SDGs) by 2030. By respecting and supporting universal principles, UN Global Compact business participants can play an important role in helping to realize the SDGs.



# Our contribution to the Sustainable Development Goals

In 2015, all 193 United Nations Member States committed to the 17 United Nations Sustainable Development Goals (SDGs), a set of objectives laying out an agenda towards 2030 for achieving a fairer and more sustainable future by addressing our world's most pressing social and environmental challenges. Fulfilling these ambitions will require unprecedented efforts from a wide range of actors - and the private sector stands to play an important role. Additionally, the SDGs provide a strategic framework for companies seeking to create long-term value and innovate to meet society's evolving needs. As a company committed to building resilience for the future and creating value for its stakeholders, DPDgroup is committed to supporting the SDGs. We are actively contributing to 4 SDGs through our DrivingChange programme:



DPDgroup identified the **4 most relevant SDGs** in light of the group's impacts on society, opportunities and the existing DrivingChange programme:



## Goals

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

DPDgroup strives to empower its employees, foster an inclusive workplace, and promote innovative initiatives that support sustainable economic growth.

Make cities and human settlements inclusive, safe, resilient and sustainable

DPDgroup works in close cooperation with city authorities to support and promote clean air by deploying smart urban delivery solutions to deliver parcels more effectively.

Take urgent action to combat climate change and its impacts

Through its Carbon neutral commitment, DPDgroup actively contributes to fighting climate change.

Strengthen the means of implementation and revitalise the global partnership for sustainable development

Through its Closer communities initiatives, DPDgroup brings communities and individuals together to achieve a common purpose and build a sustainable future.

## 2018 Highlights

**Employer of choice**  
**82%** of our employees have permanent contracts  
**72%** of the DPDgroup employees were trained  
**Innovative entrepreneurship**  
**22** initiatives managed by 10 European business units  
**69** entrepreneurs supported

**Smart urban delivery**  
**43** smart urban delivery solutions deployed in Europe\*  
**75%** of our pick-up and delivery fleet is at least compliant with the Euro 5 standard  
 \*A smart urban delivery solution combines an urban depot with low-emission transport

**Carbon neutral commitment**  
**100%** of our transport and energy consumption emissions offset in 2018  
**-15.2%** of CO2 emissions per parcel in 2018 (vs. 2013)

**Closer communities**  
**679** organisations supported  
**28,402** employees have been involved in community initiatives

# DrivingChange in a nutshell

## Key figures

Carbon neutral commitment

- 100%** of our transport and energy consumption emissions offset in 2018 (the equivalent of 997,569 tonnes of CO<sub>2</sub>e)
- 15,2%** of CO<sub>2</sub> emissions per parcel in 2018 (vs. 2013)
- #1** on the voluntary carbon offset market in the CEP sector

Smart urban delivery

- 43** smart urban delivery solutions deployed in Europe (smart urban delivery solutions combine urban depots with low emission delivery transport)
- 2** major European city centres will be 100% served by low emission delivery means by the end of 2019
- 75%** of our pick-up and delivery fleet is at least compliant with the Euro 5 standard

Closer communities

- 100%** of business units conducted Closer communities initiatives
- 28,402** employees involved
- 679** organisations supported
- 3** local Foundations (SEUR in Spain, DPD Germany, DPD Poland)

Innovative entrepreneurship

- 69** entrepreneurs supported
- 22** initiatives from 10 European business units
- 13** Social entrepreneurs from the Ashoka network empowered by DPDgroup since 2011

Employer of choice

- 100%** of our business units have implemented our Code of Business Conduct
- 82%** of our staff are on permanent contracts
- 72%** of DPDgroup employees trained, representing 51,799 training days in total (25,254 employees trained)
- 28%** of women among the workforce

## Ambitions

To reduce our CO<sub>2</sub> emissions per parcel by **30%** by 2025  
 To maintain our leadership by keeping **100%** of our deliveries carbon neutral

To have **5,000** low emission delivery means in place by 2025

To further increase our delivery experts' level of involvement in community initiatives

To implement innovative entrepreneurship programme to foster social innovation and intrapreneurship

To become an Employer of Choice

## SDG









Providing a mindful, respectful and ethical workplace for all our employees and partners

# Employer of choice

## 2018 Key figures

-  **100%** of our business units have implemented our Code of Business Conduct
-  **82%** of our staff are on permanent contracts
-  **72%** of DPDgroup employees trained, representing **51,799** training days in total (25,254 employees trained)
-  **28%** of women among the workforce

## Ambition

To become an Employer of Choice

## How?

- Providing a mindful, respectful and ethical workplace for all employees and partners is inherent to our business and an aim to which we all contribute in our day-to-day practices
- On the path to being an employer of choice, we focus on two fundamental pillars of our business:



**Our people**



**Our ethics**

## United Nations Sustainable Development Goals



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



As an organisation working with 75,000 delivery experts, it is our responsibility to empower all our people in DPDgroup's mission, enabling everyone to contribute to business success and customer satisfaction. We seek to ensure that every employee plays a role in fostering a responsible, innovative and inclusive culture. As a responsible employer, we also take a rigorous approach to doing business ethically at every level of our business. We require all employees to uphold our commitment to ethics and integrity.

## Our people

The courier, express and parcel industry is a significant employer that relies crucially on its workforce to achieve customer satisfaction. At DPDgroup, each business unit is responsible for adopting a tailored approach to human resources, in line with country requirements and local needs. In particular, our award-winning employee empowerment programme (in the UK), DNA, seeks to enable all our employees to respond effectively to the challenges and needs of each country through a common participative approach.

### Encouraging employee empowerment (DNA)

Originally created for and by DPD UK, our DNA employee empowerment programme aims to support each business unit in engaging its workforce through strong leadership and a compelling vision. Firstly, the whole unit reflects on the group's mission, vision and values, creating a simple communications plan to help engage and empower everyone to get involved. This is then integrated into everyday systems, processes and training, and rolled out to all employees and contractors. Adopting this approach contributes to nurture our service culture.

We have already implemented DNA in 11 countries, with more countries scheduled for 2019.



#### Interview

*“Gender diversity can foster collaboration, tolerance and understanding. It can lead to more productivity and effectiveness.”*

*We need more young women, digital natives, to cope with the changes in the work environment and company culture. Companies in our sector should offer women real training in digital and R&D and also support and coaching within female networks for instance.”*

**Marusa Kozan**  
Digital project manager  
at DPDgroup



### Respecting fundamental human rights

DPDgroup is committed to respecting human rights in line with the International Labour Organization's Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights. The organisation signed a global agreement on human rights and freedom of association with the UNI Global Union in March 2017, further reinforcing its commitment to protect workers' rights.

DPDgroup is committed to protecting workers' rights



### Promoting diversity

As a major employer, DPDgroup provides employment for 75,000 people, including employees and subcontractors. Of our direct employees, 82% have permanent contracts. In a traditionally male-dominated industry, 28% of roles at DPDgroup are held by women. This proportion reaches 52% in central support functions. Conscious of this disparity, we are taking action to help foster more gender diverse teams.



**75,000**  
delivery experts



**82%**  
with permanent contracts

## Our people

### Guaranteeing health and wellbeing

DPDgroup is striving to become an employer of choice in our sector in every location where we do business. We are taking a multi-faceted approach, improving benefits, adopting a globally consistent set of values, promoting a sense of belonging, and helping our employees to achieve a good work-life balance.

We signed a European Works Council Agreement in 2008, followed by the European recommendations on Quality of Life at Work in 2015. We are committed to running an employee satisfaction survey within all European business units every two years, and develop tailored action plans to address employees' concerns. In 2018, around 73% of DPDgroup employees from 18 countries responded, with 72% voicing their satisfaction with their working environment. The results are encouraging for DPDgroup, as 73% of respondents clearly see how their own work contributes to the overall goals and 63% would recommend the company as an employer. We also conducted the second edition of our 'Work and Joy' programme at our headquarters. This programme seeks to empower employees to improve their work-life balance through collaboration, co-creation and caring.

Recognising the varying levels of maturity within different business units, we organise frequent HR seminars, as well as an annual European Works Council, bringing together HR directors from each business unit to share knowledge and best practice from multiple countries.

### Developing skills and training

Training is an integral part of the way we do business. We believe in enabling all our employees to benefit from the opportunity to progress by developing new skills or strengthening existing competencies. More than 25,000 employees participated in at least one training session in 2018.

Overall, DPDgroup provided in 2018 more than 570,000 hours of training. Our focus on training forms part of a broader Learn, Improve and Share Expertise programme, a user-friendly platform providing e-learning courses on service culture as well as soft skills for sales and customer service teams, drivers and managers. In 2018, we provided free translations of our four-part induction programme to all our business units, with shorter induction modules available for drivers.



### Empowering and taking care of our subcontractors

As part of our commitment to establish positive and mutually beneficial relationships with our partners, DPDgroup also aspires to be the company of choice for our subcontractors. Our drivers' commitment to first-rate service is fundamental to our continued success.

#### Interview

*"We want to be attractive to subcontractors, particularly by making shifts more comfortable. This means, for example, providing them with a framework contract that allows them to buy clean vehicles. We also propose packages enabling subcontractors to create their own companies. We do our best to propose the most appropriate support."*



**Bernard Haurie**

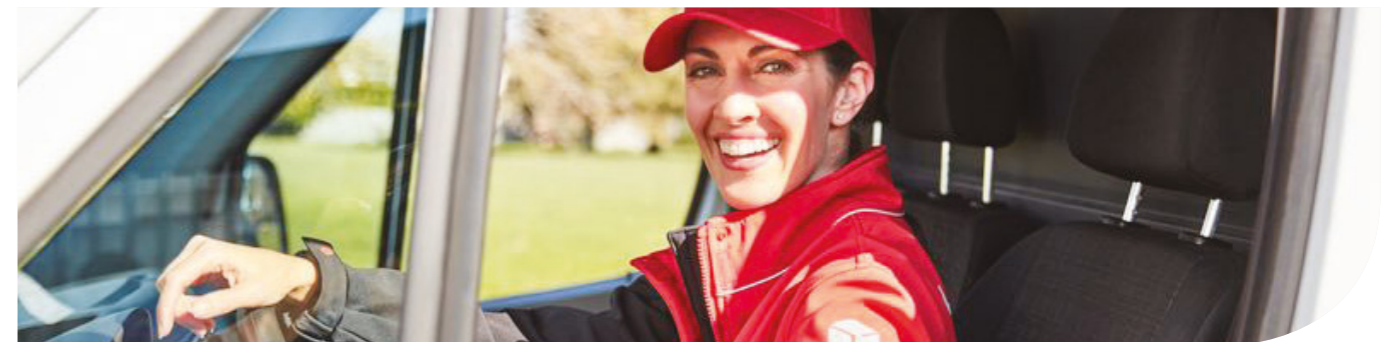
Deputy Director General and Senior Vice President for Innovation, HR and eCommerce, GeoPost.

#### DPD Poland

DPD Poland offers its subcontractors a range of discounts on products and services such as private healthcare programmes, phones, cars and life insurance.

#### DPD United Kingdom

DPD UK has a strong commitment to paying its drivers the best rates in the industry. DPD UK will also give all drivers the flexibility to move between different employment statuses including employed, Owner Driver Workers and Owner Driver Franchisees.



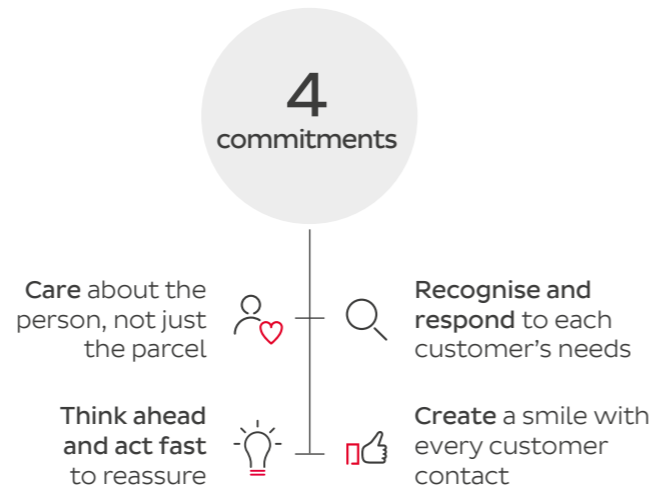
# Our ethics

Integrating Corporate Social Responsibility into the way we do business means acting responsibly and with a long-term view, going beyond commercial interests and compliance to make a positive contribution to society. To achieve this, it is vital that we prioritise ethics in everything we do. We operate according to clearly defined guidelines for ethical business conduct, based on universally recognised standards.

DPDgroup's stance on ethics provides a global framework for the whole group, and is based on five core values:



Ethical business practice is also reflected in the four commitments of the group's service culture:



## Code of conduct

We continuously seek to embed the group's stance on ethics into our daily activities. In particular, all employees and external service providers must comply with our Code of Business Conduct, developed by DPDgroup in 2012. Within our company, we encourage employees and partners at all levels to use the Code to guide their decision-making and stakeholder interactions. Each DPDgroup business unit must implement the Code of Business Conduct in accordance with national law.

Our Code reflects the principles of our Sustainable Procurement Charter and globally defined rights

and best practice, as enshrined by the Conventions of the International Labour Organization, for example (including on forced labour, health and safety, discrimination, pay, freedom of association and collective bargaining).

We regularly review and update the Code, and added our most recent section on anti-corruption in 2017.

## Appropriate governance mechanisms to foster ethical practices

DPDgroup's governance system acts as a mechanism to implement and promote compliance with our Code of Business Conduct. At a group level, senior executives - an Anti-Corruption Officer and a Competition Compliance Officer - oversee the implementation of our fair competition and anti-corruption programmes. Within each country, every business has an Ethics Officer in place. Employees can report breaches of the Code in various ways. They can contact any of the above offices directly, or use our whistle-blowing system, which guarantees complete confidentiality.

## Our sustainable procurement approach

In 2018, we began rolling out our group-level Sustainable Procurement Charter. Established in 2017, the Charter is based on recommendations set out by the International Labour Organization and the Ten Principles of the United Nations Global Compact (UNGC). It addresses issues relating to social and environmental practices, ethics and anti-corruption.

Through our Sustainable Procurement Charter, we aim to be a friendly, responsible and pragmatic business partner. As we continue to embed the Charter's underlying

principles within the strategy, culture and operations of our company, we invite all our suppliers to join us in committing to responsible practices and upholding the Charter. Suppliers' commitments concern social and environmental practices (e.g. ensure environmental risks are identified, evaluated and managed), anti-corruption (e.g. consider gifts and invitations with discernment) and ethics (e.g. respect laws on confidentiality and personal data protection).

## Anti-corruption

In keeping with our Code of Business Conduct and our commitment to the Principles of the UNGC, DPDgroup prohibits all forms of corruption in our dealings with stakeholders. We apply the three key principles that govern Le Groupe La Poste's anti-corruption plan: Zero Tolerance, Everyone Concerned and Everyone Vigilant. We have also started to implement an anti-corruption compliance programme, in line with the French law Sapin II, introduced in 2016. To comply with this law, we have mapped the risks connected to all our activities, and developed internal whistle-blowing systems for each business unit, along with employee training and supplier assessments. In 2018, La Poste commissioned external consultants to conduct an anti-corruption audit in line with the French Anti-Corruption Agency's guidelines.

## Personal data protection

To comply with the European Union General Data Protection Regulation (GDPR), which came into force in May 2018, we have implemented a major data protection initiative across DPDgroup, integrating data protection changes throughout the organisation's processes and culture. DPDgroup's Data Protection Officer holds the responsibility for overseeing these efforts. Each European business unit has appointed an employee responsible for managing data protection. In 2018, we established a dual focus on compliance and IT security at the group level in order to support the DPDgroup GDPR community.

Since early 2018, any group projects involving personal data are designed to respect privacy considerations from the outset, as required by the GDPR. We have also developed some tools such as an assessment questionnaire to help business units evaluate all new data-related projects, among other tools. Although we have

made significant progress on GDPR compliance, and an audit of the past two years' efforts is underway, there is still much to do. We look forward to strengthening our data protection efforts and developing further tools to support our teams in 2019 and beyond.



Being dedicated to making every parcel we deliver carbon neutral, for all our customers, at no extra cost



# Carbon neutral commitment

## 2018 Key figures



**100%** of our transport and energy consumption emissions offset in 2018 (the equivalent of **997,569** tonnes of CO<sub>2</sub>e)



**-15.2%** of CO<sub>2</sub> emissions per parcel in 2018 (vs. 2013)



**#1** on the voluntary carbon offset market in the CEP sector

## Ambitions

- To reduce our CO<sub>2</sub> emissions per parcel by **30%** by 2025
- To maintain our leadership by keeping **100%** of our deliveries carbon neutral

## How?

We are reducing our impact on climate change and have been carbon neutral since 2012 by taking a three-pronged approach:



**We measure**  
our carbon footprint  
with externally audited  
methods and tools



**We reduce**  
our CO<sub>2</sub> emissions  
per parcel



**We offset**  
the remaining transport  
and energy consumption  
emissions

## United Nations Sustainable Development Goals



Take urgent action to combat climate change and its impacts

Transportation currently accounts for around a quarter of the world's energy-related carbon emissions. As freight transport activities are projected to increase by around 80% by 2050 compared to 2005, the delivery sector faces a significant challenge in reducing its environmental impact. Every day, DPDgroup's 75,000 delivery experts deliver more than 5.2 millions parcels in 23 countries across Europe. This express delivery network is highly important to us and our clients, but it also contributes to global greenhouse gas (GHG) emissions. To address this challenge, the group has developed an ambitious commitment, central to our DrivingChange programme: to make every parcel we deliver carbon neutral at no extra cost for our customers.

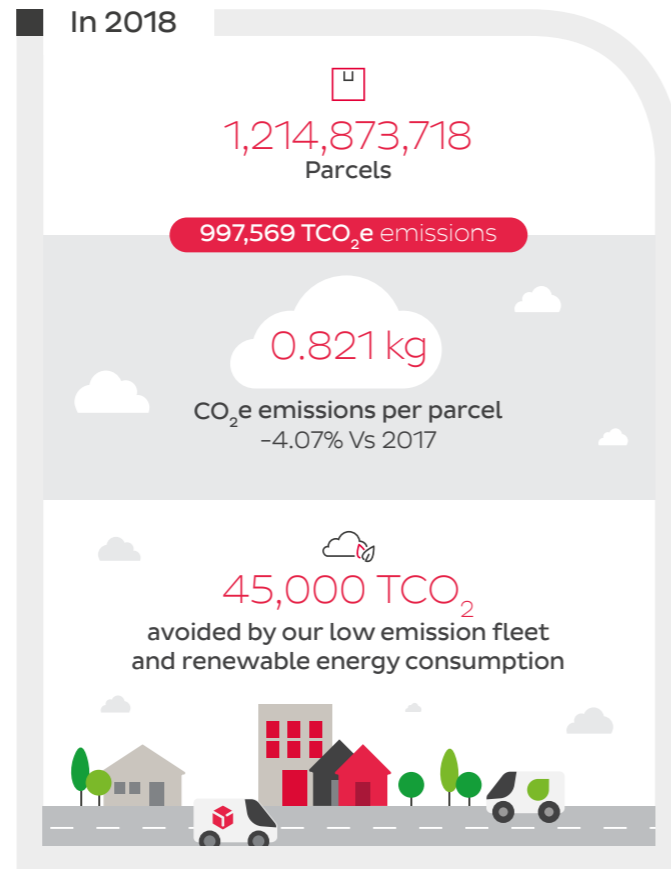
## We measure

### Measuring our own impact

In order to manage and reduce DPDgroup's carbon emissions, we first develop a thorough understanding of the emissions generated from our own operations. We use an internal reporting tool, 'RESPIRE', to collect energy consumption data related to transport, depots and hubs, in the 18 subsidiaries fully owned by DPDgroup. Each business unit is required to monitor its energy use and carbon emissions closely, supported by quarterly reports.

We continuously improve the tool in order to ensure its effectiveness and reliability. For example, our subsidiaries benefit from Avoided Emissions indicators, which allow them to measure gains from ongoing energy and fuel reduction initiatives.

The tool aligns with international standards such as ISO 14064, the European standard EN 16258, the French standard BEGES and our internal protocol, and data is externally audited annually to ensure its accuracy.



### Engaging customers in measuring their impact

DPDgroup has offered customers the ability to measure their own impact since 2016, providing them with a Carbon Calculator tool that delivers an estimation of the footprint of customers' parcels on request, taking into account the exact route. The calculator enables individuals and businesses to build a better understanding of their impacts. It also responds to the needs of the group's growing base of environmentally-conscious customers.

The analysis is performed for every parcel that enters the group's transport network. The tool was recently verified by third party SGS, a verification and certification company, against the requirements of the European standard EN 16258.



## We reduce

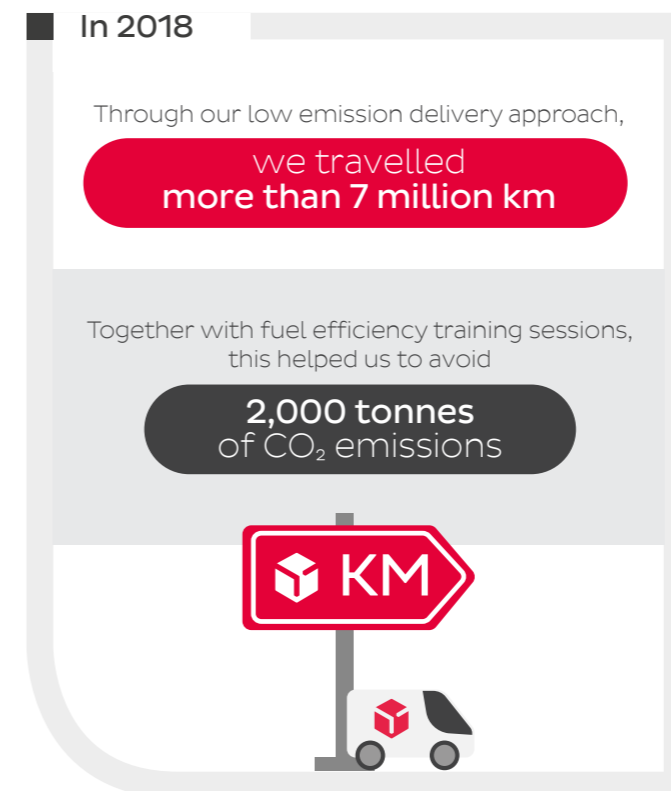
Building a strong understanding of our emissions allows us to manage them effectively. As parcel volumes increase and the demand for delivery services grows, a robust emission reduction plan is critical to making every parcel we deliver carbon neutral. In 2018, we continued to improve the efficiency of each parcel delivered, achieving an average of 0.83 kg of CO<sub>2</sub>e per parcel, a reduction of 15.2%, compared to 2013.

### Our new 30% carbon reduction goal

In 2018, we defined our new carbon reduction goal – to reduce our carbon emissions by 30% by 2025 per parcel compared to 2013 – and committed to the Science Based Targets initiative, in order to help ensure our goals are sufficiently ambitious and contribute to international efforts to keep global warming below 2C° by 2050. The goal will encompass our own operations

as well as our indirect (Scope 3) emissions, which will be increasingly important as our e-commerce parcels expand. We have also now included building energy consumption from our office buildings to our hubs and depots in our new target, and therefore in our carbon reduction efforts.

### Prioritising low carbon transport: towards 5,000 low emission vehicles by 2025



For our last mile operations, we use light and electric commercial vehicles to pick up and deliver parcels to our customers. Electric vehicles are one of the most effective means to reduce the carbon footprint of our pick-up and delivery operations. For example, we are using cargo bikes in city centre locations to achieve zero emission deliveries and prevent further traffic congestion. Other initiatives being deployed are the natural gas vehicles and eco-driving training. By 2025, we expect to have a low emission delivery fleet of 5,000 vehicles. This objective will be possible thanks to the combination of more reliable and affordable new technologies, as well as new urban logistics schemes involving multiple and smaller urban depots reducing the overall average distance of our delivery rounds.

## We reduce

### All long distance fleet to be less than 5 years on average by 2025

DPDgroup operates the largest European road network, which allows us to transport almost all our parcels by truck instead of by airfreight. This leading network reduces the impact of our operations, and we are continuously optimising it. For long distance transport, we use trucks and containers to send parcels from one consolidation hub to another, before the last-mile delivery.

To support our new carbon reduction target, DPDgroup has committed to only use long distance vehicles with an average age of less than 5 years by 2025. With more efficient technology becoming available in the market, renewing the fleet is key to reducing fuel consumption, and therefore, our CO<sub>2</sub> emissions.

To achieve this goal, several initiatives will be implemented by our business units. For example, DPD Poland requires its long distance transport suppliers not to use any vehicles older than five years by contract. This measure allows our Polish Business Unit to ensure an efficient transportation of parcels as well as reduced environmental impact. In addition to the renewal of our fleet, DPDgroup is testing alternative initiatives such as road trains in the Netherlands and natural gas trucks in France. The road trains allow a single truck to carry over 1.6 times more load and therefore reduce the total distance covered. Natural gas trucks run on an alternative fuel that helps lower the carbon intensity of our long distance routes.



### DPDgroup sites will be supplied with 80% electricity produced from renewable sources by 2025

Energy consumption is essential to the proper functioning of our sites. DPDgroup network is composed of offices and operational sites such as depots, where parcels are prepared for hubs and last-mile operations, where parcels are sorted, ready for delivery to their destination. The energy used in our buildings is vital for our parcel delivery activity, powering our sorting systems, lighting and heating.

From 2019, the CO<sub>2</sub> emissions related to building energy consumption will be included in our new carbon

reduction objective and our offsetting scope. This decision allows us to monitor our countries' efforts to reduce energy consumption within the scope of our carbon neutral commitment efforts. Achieving a 30% reduction of CO<sub>2</sub> per parcel by 2025 will also mean acquiring 80% of our electricity from renewable sources. By 2018, 39% of our electricity was already sourced from renewable energy. We estimate that more than 17,000 tonnes of CO<sub>2</sub> were avoided due to this initiative.

### Case study

DPD Lithuania has confirmed its partnership with renewable energy company ENERTY, following a pilot phase in 2016.



Some of its buildings are also equipped with solar panels that provide part of the electricity they need to function, thereby reducing the environmental impact of its activity. In 2018, more than 1 million kWh were produced by these installations, which contributed to avoiding 600 tonnes of CO<sub>2</sub>.

“Together with the DPDgroup network and our partners, DPD Lithuania is contributing to reducing emissions and becoming a socially responsible business. Our electricity consumption has already decreased by 10%.”

**Robert Vilkaitis**  
CEO Baltics  
General Manager of DPD Lithuania

## We offset

We are carbon neutral at no extra cost for our customers



The final step of our three-pronged approach is to offset all remaining CO<sub>2</sub> emissions from transport, and from this year, the energy consumption of our buildings, in order to achieve carbon neutrality. We include the indirect emissions from outsourced transport in our offsetting scope. In this way, DPDgroup holds the CEP sector No. 1 position on the voluntary carbon offset market.

Since we launched our carbon neutral commitment in 2012, we have delivered 6 billion carbon neutral parcels.

We developed our offsetting programme, and the associated projects, in partnership with CO2logic, a pioneer in leading companies towards carbon neutrality. Our projects are related to renewable and clean energy production. The project we support in India produces renewable energy from wind power. In Brazil, we support a project collecting landfill gas to produce clean energy. Both projects are verified by one

of the most rigorous carbon standards on the market – the Verified Carbon Standard (VCS).

Additionally, every project is verified by a third party to guarantee accurate measures of CO<sub>2</sub>e savings. Both environmental and socio-economic benefits are considered when selecting an offsetting project. In order to help accelerate the shift to sustainable energy, all of the projects we fund focus on renewable energy, energy efficiency, or the circular economy. These are not tax-exempt and we do not have equity investments in the projects we support.

The offsetting projects in India and Brazil have helped to offset our 2018 carbon footprint worth 997,569 tCO<sub>2</sub>e. This investment not only offsets 100% of our GHG parcel delivery emissions, it also drives social and economic improvements.

## Offsetting projects



 Brazil

### Transforming landfill gas into clean energy

This project consists of a collection, transport and treatment system for landfill gas, producing electricity to both power its own site and sending electricity to the Brazilian national grid. The major constituent of landfill gas is methane (CH<sub>4</sub>), which has 21 to 25 times the impact of CO<sub>2</sub> on the climate. Through this project, methane is destroyed through a high temperature flare, generating electricity, reducing the need to create electricity from finite fossil fuels, and reducing GHG emissions into the atmosphere.



 India

### Creating clean power through wind turbines

With this project, wind turbines generate electricity which is then licensed to become part of the electricity grid of India. This reduces the need for the country's national grid to rely on fossil fuels, particularly coal fired power plants, to meet its growing electricity requirements. This in turn helps to prevent further climate change.

**#1**  
on the voluntary carbon offset market  
in the CEP sector





Improving everyday urban life by giving greater delivery choices, while reducing our impact on the road

# Smart urban delivery

## 2018 Key figures

-  **43** smart urban delivery solutions deployed in Europe\*
  -  **2** major European city centres will be 100% served by low emission delivery means by the end of 2019
  -  **75%** of our pick-up and delivery fleet is at least compliant with the Euro 5 standard
- \* Smart urban delivery solutions combine urban depots with low emission delivery transport

## Ambition

To have 5,000 low emission delivery means in place by 2025

## How?



**We reduce** the impact of our last-mile delivery fleet



**We act** for greater delivery choices to improve everyday life



**We implement** urban depots to avoid unnecessary distance

## United Nations Sustainable Development Goals



Make cities and human settlements inclusive, safe, resilient and sustainable



More than 73% of people in Europe live in cities, and urban vehicles account for 40% of CO<sub>2</sub> emissions related to road transport. With urbanisation and e-commerce thriving, the resulting traffic congestion contributes significantly to climate change and air pollution. Due to rising public health concerns, many city authorities restrict or ban polluting vehicles in city centres. To respond to these challenges and provide convenient delivery options for customers, DPDgroup is continuously implementing smart and sustainable delivery solutions. Smart urban delivery is one of the core commitments that will help DPDgroup become the leading urban delivery company in Europe, through service innovation, last-mile logistics and user-centric delivery solutions.

## We reduce

### Our new ambition

We aim to have 5,000 low emission delivery means in place by 2025 (including electric vehicles, natural gas-powered trucks and cargobikes etc). These vehicles will be primarily deployed in cities to help reduce our environmental footprint when delivering parcels.

### Our approach

Every day, we deliver more than 5.2 millions parcels across 23 countries in Europe. Our fleet comprises 59,000 vehicles, of which alternative vehicles represent 1%. We tailor our services to the individual needs of each city, progressively deploying urban depots and low carbon transport solutions. The optimisation of everyday operations is also central to our urban logistics initiatives. We engage with local authorities to anticipate and react rapidly to new requirements and legislation.

We continuously strive to lower the environmental impact of our fleets by taking measures to improve fuel efficiency, and reduce carbon emissions and pollutants. In particular, we focus on using the latest Euro Standard and implementing advanced vehicle technology.

Importantly, we listen to our customers, and continuously innovate to provide sustainable solutions and create efficiency delivery services.

#### Our two core signature services are:

- Our Predict service provides with a one-hour time slot in advance, and the opportunity to reschedule. Increasing the first delivery rate means a reduction of 4% of CO<sub>2</sub> emissions per parcel compared to a standard last mile delivery on business-to-consumer parcels.
- Our Pickup network offers customers to be directly delivered in 42,000 parcel shops, in 23 European countries, with nearly 95% within 15 minutes from recipients' homes.

5.2 millions parcels each day

42,000 parcel shops

59,000 vehicles

23 countries in Europe

## We act

### Our 2018 initiatives

In 2018, we took another step towards becoming the leading urban delivery company in Europe with major announcements in two European cities. Chronopost has committed to making deliveries across Paris with a 100% low emission fleet by mid-2019, and DPD Germany is set to introduce total e-mobility in the centre of Hamburg. Building on these initiatives, we seek to launch similar initiatives in multiple cities.



#### France

### Chronopost makes Paris deliveries with a 100% low emission fleet

In November 2018, we deployed low emission vehicles in the Ney, Rungis, Bobigny and Alfortville areas of Paris, and the Parisian Urban depots of Concorde, Beaugrenelle and Bercy. The new low emission fleet, fully deployed by mid 2019, will consist of electric models (Renault Kangoo ZE, Nissan ENV 200), compressed natural gas vehicles (FIAT Ducato) and electric-assisted carrier tricycles and trolleys, and will seek to deliver 25,000 parcels per day.

The initiative forms part of a low emission urban logistics policy implemented by Chronopost France over the last 20 years. Chronopost France's CEO, Martin Piechowski, is dedicated to continuing the efforts already underway.



#### Germany

### DPD Germany to apply e-mobility in Hamburg's city centre

In November 2018, DPD Germany announced that it would convert its entire parcel deliveries in the inner city districts of Hamburg to low emission vehicles. The company will replace Hamburg's ten conventional delivery rounds, replacing all diesel vehicles and reaching zero emission parcel deliveries by summer 2019 in the Altstadt, Neustadt, Hafencity, St. Georg and Hammerbrook districts, as well as in the Steinwerder and Kleiner Garasbrook areas.

To achieve this goal, DPD Germany is using a mix of small vehicles such as cargo bikes and e-scooters, together with larger vehicles such as fully electric vans and trucks. The purchase of these vehicles is partly subsidised through a local city initiative.

# We implement

## Our urban depots

DPDgroup takes a 'micro-distribution' approach, meaning that we establish depots within or near city centres, consolidating deliveries by van before using low carbon transport delivery solutions to cover the last mile to the recipient. Our urban depots are chosen for their location near to areas where we experience high parcel volumes for delivery. The sites can be car parks or shops that are no longer in use. Depending on the available space, the site might benefit from a sorting mechanism (on larger sites) or simply storage (on smaller sites). The overall objective is to use a single approach to feed the urban depot from a site outside the city, thereby reducing the distance travelled and emissions produced. Once the parcels arrive at the urban depot, then low emission vehicles can begin the last-mile delivery.

The shorter mileage involved allows for increased productivity, adoption of alternative fuel vehicles and new operating approaches. These include cargo bikes or other efficient alternative delivery methods such as delivering parcels on foot to customers' homes or to one of the 42,000 parcel shops or parcel locker terminals, where consumers can collect their parcel at their own convenience.

These city centre locations, combined with improved operational processes, allow us to improve efficiency while reducing the number of vehicles required and optimising loads, resulting in lowered emissions of carbon and particulate matter.

### United Kingdom

#### DPD opens the UK's first all-electric parcel depot in central London

In October 2018, DPD opened the UK's first all-electric parcel depot in the heart of London's Westminster district. With floor space of 5,000 square feet, it has the capacity to deliver 2,000 parcels a day.

Using all-electric vehicles to both deliver parcels to DPD Westminster, and make the final delivery to customers, DPD will initially achieve a reduction of 45 tonnes of CO<sub>2</sub> annually. This is set to increase as more all-electric vehicles and depots are introduced.



### Spain

#### SEUR inaugurates a new urban depot in the centre of Barcelona

SEUR has inaugurated a new urban hub in the centre of Barcelona. SEUR already has 11 urban depots in Spanish city centres, including Madrid, Bilbao, Seville, Segovia, Valencia and Zaragoza. These urban depots are typically located in areas of high population density. They allow the company to be closer to customers, shorten delivery distances and improve the sustainability of its distribution operation. The new Barcelona hub is located in the Eixample district, and will make an average of 800 daily shipments. This will include urgent solutions for one or two-hour deliveries, a popular service derived from e-commerce provided by SEUR through SEUR Now.



## Local pollution and information about our fleet

### In 2018

we reduced\* our emissions of

NOx

-12%

PM

-14%

\* per kilometre and compared to 2017

75%\*

of our fleet now meets the euro 5 and 6 standards

\*compared to 70% in 2017

DPDgroup measures two air pollutants in particular – both a direct consequence of our delivery activity: particulate matter (PM) and nitrogen oxides (NOx). Unlike greenhouse gas emissions, which have a global impact, these pollutants, emitted by all vehicles, represent a local health hazard. DPDgroup is therefore actively replacing its conventional diesel and petrol delivery vehicles with alternatives, such as electric vehicles, biogas vehicles or bicycles. In 2018, we reduced our emissions of NOx by 12% and PM by 14%, compared to 2017.





We use the Euro Standard, which defines the acceptable limits for exhaust emissions and pollutants, to measure the impact of our fleet. The standard currently has six stages ranging from Euro 1 (lowest performing vehicles) to Euro 6 (highest performing vehicles). As cities around Europe increasingly take measures to reduce air pollution, it is vital that we continuously improve the efficiency of our fleets. 75% of our fleet now meets Euro 5 or 6, compared to 70% in 2017.



Bringing people together to support and build the communities to which we are closest

# Closer communities

## 2018 Key figures

-  **100%** of business units conducted Closer communities initiatives
-  **28,402** employees involved
-  **3** local Foundations (SEUR in Spain, DPD Germany, DPD Poland)
-  **679** organisations supported

## Ambition

To further increase our delivery experts' level of involvement in community initiatives

## How?

We support communities in two ways:



**Solidarity transport**  
Providing our delivery and logistics expertise to local projects



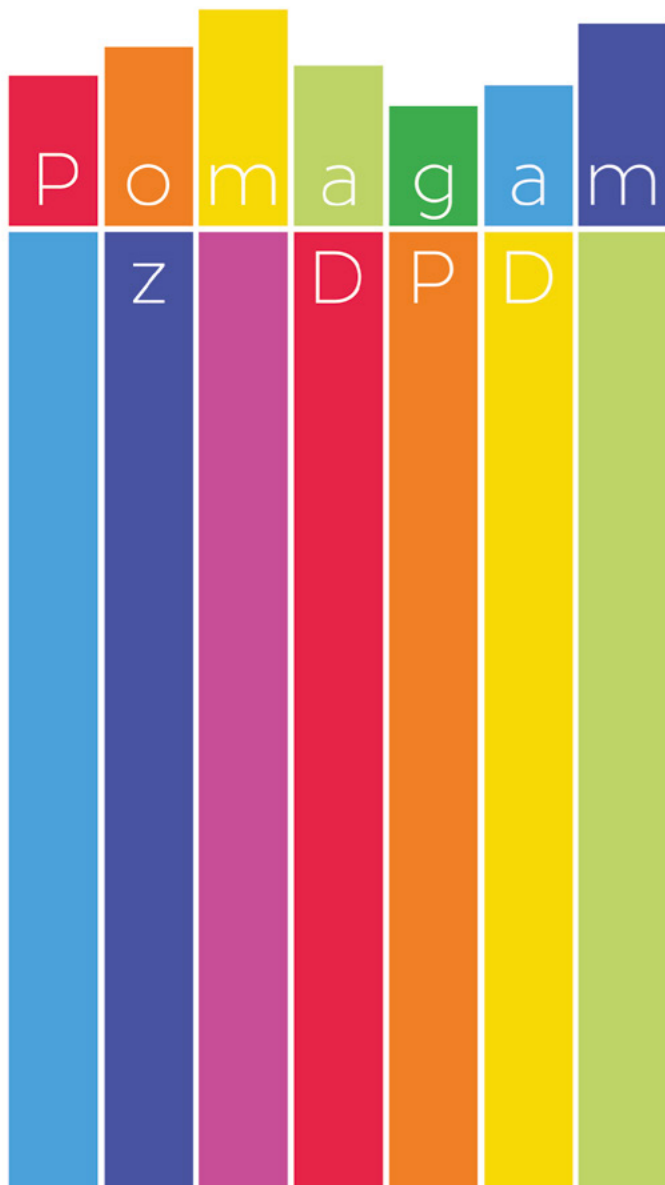
**Employee commitment**  
Sharing our time, passion and skills

## United Nations Sustainable Development Goals



Strengthen the means of implementation and revitalise the global partnership for sustainable development

As a delivery expert, DPDgroup connects closely with local communities on a daily basis. We have a unique opportunity to support the communities in which we work and help them in their project thanks to our delivery expertise. DPDgroup employees are able to put forward local solidarity projects that are important to them. On a voluntary basis, our committed people share their time, skills and resources to support communities and grow together. Our ambition is to make a positive contribution to the communities to which we are closest.



■ Interview

**Malgorzata MAJ**  
PR Manager of DPD Poland  
CEO of the DPD Poland Foundation



**Why did DPD Poland decide to set up a Foundation?**

The idea came from our CEO, Rafal Nawłoka, who defined our couriers and linehaul drivers as our closest community. They are subcontractors and therefore do not benefit fully from social solutions offered to our own employees by the company and the state. As the most vulnerable group performing crucial jobs as drivers and couriers, they are most exposed to the effects of road accidents, which can dramatically affect them and their families. The Foundation seeks to take care of this very special community.

**What are the objectives of the Foundation?**

The aim of the Foundation is to provide social help to our couriers and linehaul drivers and their families in challenging life situations.

**Which project are you most proud of?**

We are proud of every single project. It is difficult to compare or value them. Each case is a different story, and every individual faces diverse difficulties.

**Do the employees of DPD Poland get involved?**

We are very active and united by the idea of helping our colleagues. Our employees participate significantly as volunteers and donors and in other Foundation initiatives.

**How do you promote the diverse projects to raise funds?**

We use our internal media and we are strongly supported by the Human Resources Business Partners team, which reaches every depot with information and practical, organisational support. The management of DPD Poland established the DPD Poland Foundation in October 2017 to show real support to our subcontractors or their families in need, among others, through charitable giving and volunteering. Through the Foundation, DPD Poland engages both employees and subcontractors in raising funds voluntarily for its closest community – couriers, drivers and their families – supporting those facing challenging life situations or health concerns. In this way, the company cares for and includes subcontractors within its own DPD Poland community. In October 2018, the foundation held a “Take a cake” fundraising event, inviting employees at each depot and head office to enjoy delicious homemade cakes in exchange for a contribution to a sealed donation box. Some 1,000 employees helped to raise €17,000. For the first 18 months, the foundation helped 18 subcontractors or their children with disabilities or facing serious or terminal illnesses.

# Solidarity transport

Using our delivery and logistics expertise to support communities where we operate



**DPD Slovenia**

**Delivering Christmas presents to disadvantaged families**

**55 participating employees**

DPD Slovenia provided free delivery of 50 Christmas gifts for children whose families are affected by poverty.



**DPD Netherlands**

**Providing IT support and training to children in Tanzania**

**20 computers donated to underprivileged children**

To help create a brighter future for underprivileged children and enable more children to attend secondary school and university, DPD Netherlands employees supported an IT training initiative. The team delivered 20 laptops to children of Rhotia Valley in Tanzania, helping them to continue their studies and take part in initiatives design to empower young entrepreneurs to start their own business.



**Chronopost Portugal**

**Delivering gifts: Christmas Angels**

**1,000 gifts donated to the Salvation Army**

Chronopost Portugal supported the Salvation Army in delivering Christmas gifts to underprivileged children. Gifts were donated via the "Angel Tree Programme" and sent to a Chronopost Pickup point, before being collected and delivered to the Salvation Army.



**DPD Switzerland**

**Selling oranges to raise money for sick children**

**2,245 oranges collected**

DPD Switzerland partnered with leading children's charity "Terre des hommes" to help raise money to support medical treatment for sick children by delivering 2 tonnes of oranges. The money raised will bring access to medical care, nutrition and hygiene to thousands of children.



**DPD Ireland**

**Supporting disabled people with the Irish Wheelchair Association (IWA)**

**120 participating employees**

DPD Ireland supports the Irish Wheelchair Association (IWA) in improving quality of life among people with disabilities through donations and logistics assistance. The organisation reaches more than 20,000 members in their homes and communities each year.



**DPD France**

**Delivering ROSE magazines for charity**

**15 employees supported a breast cancer charity**

DPD France has supported the ROSE breast cancer charity for 6 years by providing free leaflet delivery services, helping the organisation to provide information and raise awareness of the rights of women affected by the disease.



# Employee commitment

Sharing our time, passion and skills to support communities



**DPD Belgium**  
**Collecting funds for Red Nose Schools**  
 72 participating employees

DPD Belgium sells red noses to the Red Nose Fund, managed by the King Baudouin Foundation to raise money for people suffering with mental health issues. Through this initiative, 470 schools have registered as Red Nose Schools, helping to support more than 412,000 pupils with mental health difficulties.



**DPD Latvia**  
**Raising funds for disabled children**  
 €1,300 raised for the Poga Rehabilitation Centre

34 employees participated in a fundraising sports challenge in support of disabled children, with the winning team running, cycling and skating 6,616km, and raising €1,300 for the Poga Rehabilitation Centre. Our donation will help the centre to help disabled children to walk by using the step robot G-EO System, one of the world's most advanced rehabilitation robots.



**DPDgroup Headquarters**  
**Fighting malnutrition by planting fruit trees**  
 3 millions steps to raise €10,000

DPDgroup supports the non profit organisation "Les Enfants du Soleil" that supports and educates children living in the streets of Madagascar. The "Fighting malnutrition by planting fruit trees" project was proposed by an employee at DPDgroup's head office. Through sport challenge, we raised €10,000 for the project, which will begin in spring 2019.



**DPD Lithuania**  
**Making children's dreams come true**  
 Donations to 105 day care centres

Employees at DPD Lithuania raised €5,730 for the NGO Vaikų svajonės and its "Childrens wishes" project, which connects donors with social workers in underprivileged families at Christmas time. In 2018, they delivered 4,995 parcels to day care centres via DPD's pickup network.



**DPD Slovakia**  
**Supporting a guide dog training school in Bratislava**  
 €4,500 of donations

Through its longstanding support of Bratislava's Dog Training School, DPD Slovakia has helped to fund the breeding and training of guide dogs for the blind and people with sight impairments, helping to improve their quality of life.



**DPD Hungary**  
**Delivering food to people in need**  
 110 participating employees

DPD Hungary held a charity cake sale and raise €300 for the Hungarian Food Bank Association, a food charity helping to combat poverty, hunger and malnutrition by delivering food parcels to people in need. The team's support helped to fund the delivery of 3,571 food parcels in 2018.





Sharing our expertise and entrepreneurial spirit to help local enterprise thrive

# Innovative entrepreneurship

## 2018 Key figures



69 entrepreneurs supported



22 initiatives from 10 European business units



13 Social entrepreneurs from the Ashoka network empowered by DPDgroup since 2011

## Ambition

To implement innovative entrepreneurship programmes to foster innovation and intrapreneurship

## How?

We support entrepreneurship in three ways:



**We stimulate**  
employee innovation



**We empower**  
social entrepreneurs



**We support**  
external entrepreneurship

## United Nations Sustainable Development Goals



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Entrepreneurship and innovation sit at the heart of DPDgroup and have been integrated into the way we do business since our inception. We grew by acquiring expert delivery companies, founded by entrepreneurs, and our decentralised structure allows our business units independence to innovate to meet the needs of their customers. With the rise of e-commerce - parcel volumes are expected to double by 2025 - and on-demand delivery in the rapidly evolving CEP sector, we see multiple opportunities to innovate into the future. To strengthen our positive impact and create more shared value in the communities where DPDgroup operates, we support and empower innovative local entrepreneurs.

## We stimulate employee innovation

Our employees know our business better than anyone. Empowering our employees to innovate and giving them the opportunity to develop and share new business ideas is central to leading the way in our industry.

Our innovation and CSR departments encourage employees to share their boldest ideas each year as part of Le Groupe La Poste's '20 projects for 2020' initiative. The winners receive three months of dedicated support to develop their idea and demonstrate its potential, with our innovation team supporting them through training, mentoring, flexible working (up to 20% of their time can be dedicated to the project) and funding. The result could be new processes or services, or even new business units or subsidiaries that support our business goals and help us to grow. At the same time, participants grow professionally too, developing new skills.

In 2018, 10 business units participated in the competition, including Estonia, DPD France, DPDgroup Headquarters, Germany, Latvia, Lithuania, Netherlands, Poland, Russia and SEUR in Spain, with 32 teams competing, and a total of more than 80 employees. After the first phase of selection, eight projects were chosen to be supported by experts to help them advance further in the competition. DPDgroup entered two winning projects.

### DPD Baltics

#### International parcel-forwarding with 'Buy World'

The 'Buy world' project is a parcel-forwarding solution developed by three DPD Baltics employees for consumers purchasing goods via foreign websites. It provides them with a virtual address in the e-merchant's country, and cross-border transport via DPD, with the consignee becoming a customer. The solution reflects US-led ambitions for parcel-forwarding, and the winning teams will launch a pilot in 2019.



### DPDgroup Headquarters

#### MobileOwl inter-university delivery solution

Led by two employees from DPDgroup headquarters, one of the winning team was MobileOwl, an inter-university delivery solution targeting ERASMUS exchange students, who move across Europe as part of their studies. Using the Owlbox delivery solution, students can send goods in a reliable way. The project is done in partnership with their universities and student associations. The solution has been tested with some DPDgroup business units, and commercially with universities and students.



### DPD Poland

#### Innovating to optimise packaging materials and reduce waste

Packaging is vital to transporting and delivering parcels safely and effectively. To support our clients in packing their parcels appropriately, we provide them with an automated tool to help them optimise their packaging according to their needs. The tool replaces the previous manual system of ordering packaging materials, providing clear information and images of the packing materials available. The new system, a joint innovation of our operations and marketing team, has led to increased customer satisfaction, while saving our employees' time, ensuring more safely packed parcels in a more readily transportable format, and reducing excess packaging and waste.





## We empower social entrepreneurs

DPDgroup supports social entrepreneurs who think laterally to solve pressing social challenges through our longstanding partnership with Ashoka, the world's largest global network of social entrepreneurs. We share a belief that collaboration and social entrepreneurship will help empower people to accelerate positive change in society.

Through our current three-year agreement, renewed in 2017, we support social entrepreneurs by helping them to:

- Find solutions to workforce inclusion, social cohesion, urbanisation, local economic development, and low-carbon innovation.
- Address logistics challenges.

DPDgroup is committed to selecting and supporting at least three Ashoka Fellows financially between 2017 and 2019. In parallel, Ashoka will organise six discovery sessions for DPDgroup employees across Europe, designed to foster inspiration and collective innovation.

These sessions encourage employees to understand the potential of social innovation and co-create new solutions with social entrepreneurs.

In 2018, DPD Germany supported Ashoka fellow Raphael Fellmer's SirPlus project, launched in 2017, providing logistics support, access to its personal network and event sponsorship. Working with partners in Germany's food supply chain, SirPlus seeks to significantly reduce food waste and revolutionise the food industry by helping to make food-saving more professional and mainstream. In Germany alone, 20 million of tonnes of food are wasted each year, the equivalent of 500,000 truckloads. SirPlus is therefore contributing to saving natural resources, preventing overproduction and waste, and lowering CO<sub>2</sub> emissions. Everyone involved benefits, with food retailers saving on disposal costs and consumers gaining access to more affordable, sustainable food. In the future, SirPlus aims to expand within Europe and internationally.



## We support external entrepreneurship

DPDgroup provides support to innovative entrepreneurs in the communities where we operate. In this way, we grow together. Our aim is to help local entrepreneurs develop their projects through a range of initiatives, such as providing special rates or free shipping services, granting awards or financial support, and helping to develop their skills.

### What is Innovation for DPDgroup ?

Three pillars for innovation at DPDgroup

#### Digital transformation & Ecommerce

Developing technologies that give full control to consumers: on-demand deliveries, smart notifications, etc.

#### Smart Urban logistics

Tech & vehicles allowing us to better respond to our customers' needs while addressing sustainability issues

#### High tech markets

Strong innovation needed to support DPDgroups new markets, like delivery of fresh & frozen food (traceability, temperature, safety)

### Interview

**Olaf Klargaard**  
DPDgroup's  
Director of  
Innovation



DPDgroup is targeting both incremental and disruptive innovations in three key areas: Digital transformation & Ecommerce, Smart urban logistics and High tech markets.

However, defining strategy is not getting results, it is rather about implementation and culture. In that view, DPDgroup is leveraging its corporate values – autonomy of business units and entrepreneurship culture – to implement an open innovation approach.

Open innovation with startups: the diversity of size, geographies and culture that can be found in our BUs constitutes a fantastic ground for cooperation with startups, where various stages of experimentation can be implemented before industrialization. A couple of illustrations: in Slovenia, we've launched payment through mobile wallet with Mbills, a local startup. In Spain and Portugal, we've been testing the first steps of autonomous vehicles (placing cameras in vehicles and exploring driving assistance) with

Israeli startups Trucknet and Mobileye.

Open innovation is also about engaging our customers in our processes, and make sure we are in line with market needs. A good example is the project co-built in France with Cdiscount, the Ecommerce marketplace, and Chronopost to test smart keys, allowing delivery at home in the absence of the consignee.

Last but not least, open innovation relies on our employees. Though focused on our company, this is an open approach, as we are asking the crowd of our workforce to be creative, out of traditional channels. DPDgroup 2018 Intrapreneurship campaign was a great success, with 32 teams from 10 countries working on projects of new businesses.

Our mission is to engage our employees, startups and customers to innovate with us!

# Initiatives



**DPD Estonia**

## Promoting smart delivery solutions

DPD Estonia offers advanced delivery options including Cleveron parcel robots and CleverPods, smart post boxes capable of storing standard post, parcels and thermal boxes for grocery deliveries. Cleveron parcel robots are located at various public places in Estonia, and function together with DPD Pickup system, while CleverPods can be rented for residential addresses. DPD Estonia is supporting Cleveron in expanding its business by offering DPD deliveries to the locations where its robots are based and helping to test and improve the CleverPod solution.

**DPD Czech Republic**

## Exchanging batteries to power continuous electric deliveries

Czech start-up BattSwap offered DPD Czech Republic the opportunity to test its battery exchange solution in the electric Fiat Ducato van. Battswap's technology makes it possible to rapidly replace a discharged battery with a charged one, avoiding loss of time during charging. The e-van can therefore be used continuously with no breaks. DPD Czech Republic tested the e-van at its depot and for parcel deliveries, and subsequently bought it in December 2018 with the support of DPDgroup. The e-van is currently leased to a subcontractor in Prague city centre. In the future, we will seek to install the start-up's battery swap system at our Prague depot.



**Chronopost France**

## Innovating to advance sustainable deliveries

Chronopost France employees are helping to advance a more sustainable delivery method by supporting start-up K-Ryole in optimising its pioneering, electrically assisted trailer for deliveries. The K-Ryole trailer, which was invented in 2016 and has a capacity of 250kg and 1.2 m<sup>3</sup>, can easily be pulled on foot or by bike, adapting itself to the circumstances and the user's speed. In July 2018, Chronopost delivery employees tested some modifications to the electrically assisted trailer, the K-Ryole, helping to overcome a few constraints to making deliveries. Chronopost's feedback enabled the manufacturer to design a vehicle that is better suited to parcel delivery. Due to its small size (85cm) and agility, the K-Ryole can easily be used in dense, urban areas, helping to overcome the challenges of urban logistics. The manufacturer won an innovation award from the city of Paris in 2018, and its collaboration with Chronopost is helping the company to grow its business and trailer offering, raising its profile and credibility among potential clients.

**DPD Slovakia**

## Advanced modern fleet technology

To equip our fleets with the latest technology and reduce our CO<sub>2</sub> emissions, we promote electric vehicles, wherever possible. Since 2014, we have been working with electric van manufacturer Voltia to develop a solution for electric urban deliveries, and in 2018, we implemented advanced electric vehicle technology, adding 4 new e-vans to our 9 vehicles fleet. These e-vans will save 20 tonnes of CO<sub>2</sub> annually. Building on these efforts, we aim to become an industry leader in sustainable urban logistics in Slovakia, as we move towards our goal of making 10% of our delivery fleet electric by the end of 2020.



**DPD Croatia**

## Supporting a leading e-commerce provider

DPD Croatia supports the country's first e-commerce company, Monri Payments, which is the leading independent Croatian payment industry service provider. In 2018, it supported the company through financial donations and skills sponsorship, and also by participating in events, helping them to achieve media coverage.

## About this report

This is DPDgroup's third Corporate Social Responsibility report, published in May 2019. This report covers 19 business units across Europe, all under full ownership of DPDgroup. The current coverage represents 88% of revenue.

We are working on a progressive inclusion of other business units fully owned or under financial control to the DrivingChange programme.

Unless otherwise stated, this report only includes information related to 2018.

DPDgroup operates under the following brand names: DPD, Chronopost, SEUR and BRT. The information in this report has been gathered through reporting tools, documented information and internal and external stakeholder interviews.

We would like to thank all those who contributed to this report.

Please direct questions on this report or topics related to our corporate social responsibility programme to [drivingchange@dpdgroup.com](mailto:drivingchange@dpdgroup.com)

Discover our CSR webpage on:

[www.dpd.com/group/en/sustainability](http://www.dpd.com/group/en/sustainability)





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