

ESG PRESENTATION

FY 2020

Bonn, 9 March 2021

Deutsche Post DHL
Group



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DPDHL Group's ESG Quick Facts 2020

E NVIRONMENT

- ~106,000 vehicles, of which
~**18,000 with alternative drives**
- ~12,600 sites worldwide,
59% ISO certified
- 280 aircraft
- Carbon efficiency index (CEX)
improved by 37 index points
since base year 2007
- 27.4 m t CO₂e¹⁾ generated

S OCIAL

- ~**570,000 employees worldwide**
- 82% Employee Engagement
- 3.9 LTIFR²⁾ per 200k hours worked
- 74% employees certified
- Human Rights Policy
Statement issued

G OVERNANCE

- 2022 Corporate Board remuneration³⁾:
30% ESG criteria in annual bonus and deferral in accordance with our Strategy
- Supplier Code of Conduct updated

1) Tank-to-wheel; metric ton (= 1,000kg); 2) Lost Time Injury Frequency Rate ('accident rate'); 3) Proposal to AGM May 6, 2021

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Strategy 2025 – Consistent further development of our goals

Sustainability is embedded in our mission along the three bottom lines. We will only be a profitable, sustainable company if we meet the needs of our customers while taking steps to reduce our environmental footprint, create a safe, inclusive, motivating work environment for our employees, and observe transparent and legally compliant business practices.

2009


- 2008: Launch of Go programs
- 2009: 1st Employee Opinion Survey conducted
- 2010: Development of StreetScooter started

2014


- 2014: Certified initiative launched Group-wide
- 2015: Responsible business concept introduced
- 2017: Net zero emission target introduced

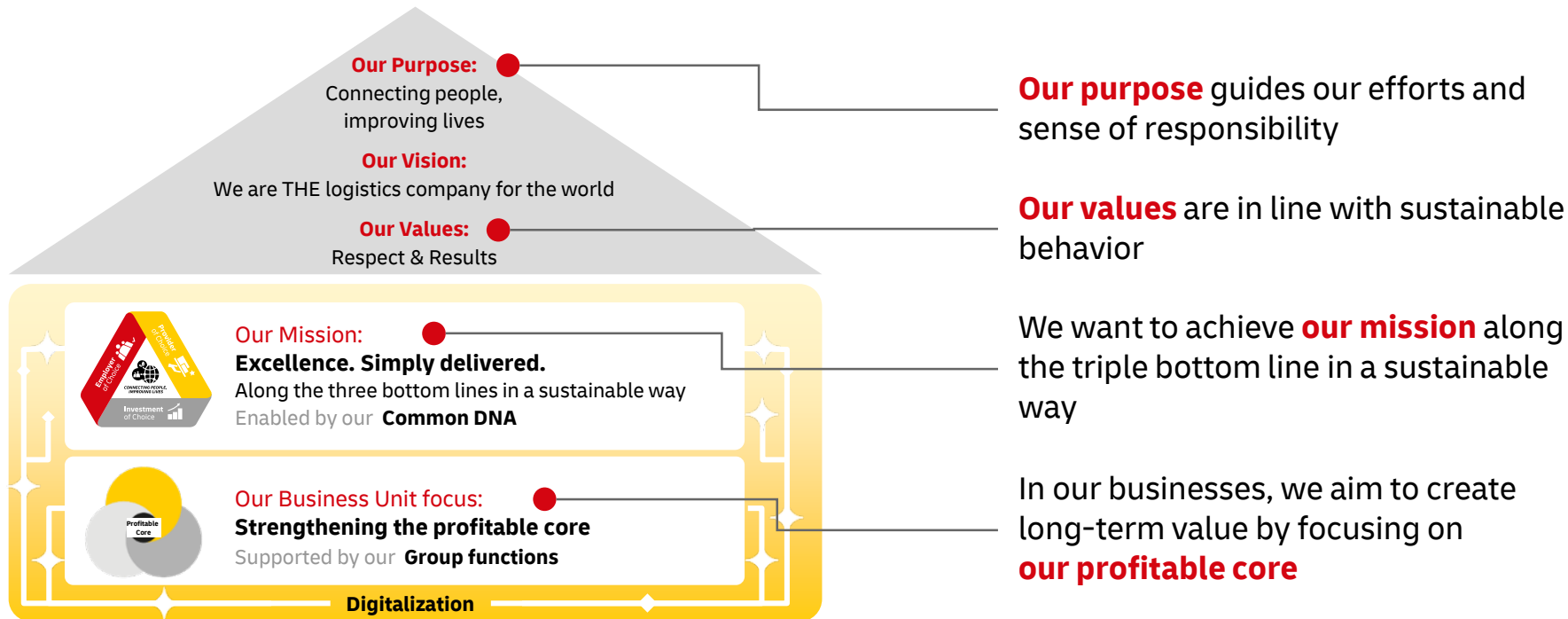
2019


- Focus on materiality and business relevance
- Group-wide programs enhanced as a part of our common DNA

The triple bottom line along with the motto of living responsibility was first introduced with Strategy 2015 in 2009. Today, we pursue 'Excellence. Simply Delivered.' along the three bottom lines in a sustainable way.

➔ [2020 Annual Report](#)

Strategy 2025 – Sustainability is integral along all dimensions



→ [2020 Annual Report](#)

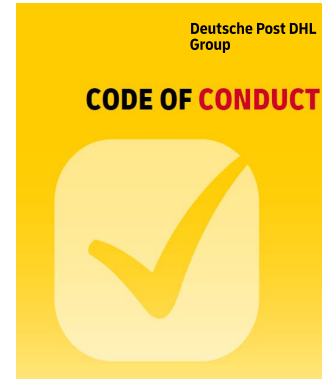
Deutsche Post DHL Group – **A signatory to the UN Global Compact since 2006**

We support the UN Global Compact by embedding its principles in our Codes of Conduct.



→ [2020 Annual Report](#)

10 principles embedded
in our Codes of Conduct



→ [Slide 32](#)



→ [Slide 65](#)

Our Commitment to the UN Sustainable Development Goals



We have selected five focus UN Sustainable Development Goals (SDGs), reflecting our company's responsibility and best possible impact on solving sustainable development challenges.



SDG 4: We seek to make quality education and lifelong learning opportunities accessible for all

SDG 8: We support growth by facilitating global trade in a responsible manner

SDG 11: We minimize air pollution in cities and support disaster-affected communities

SDG 13: We seek to minimize our business' impact on the environment with our environmental protection program

SDG 17: We collaborate with the UN and other partners to ensure the sustainable impact of our activities

Stakeholder Engagement – Regular dialogue with our major stakeholders

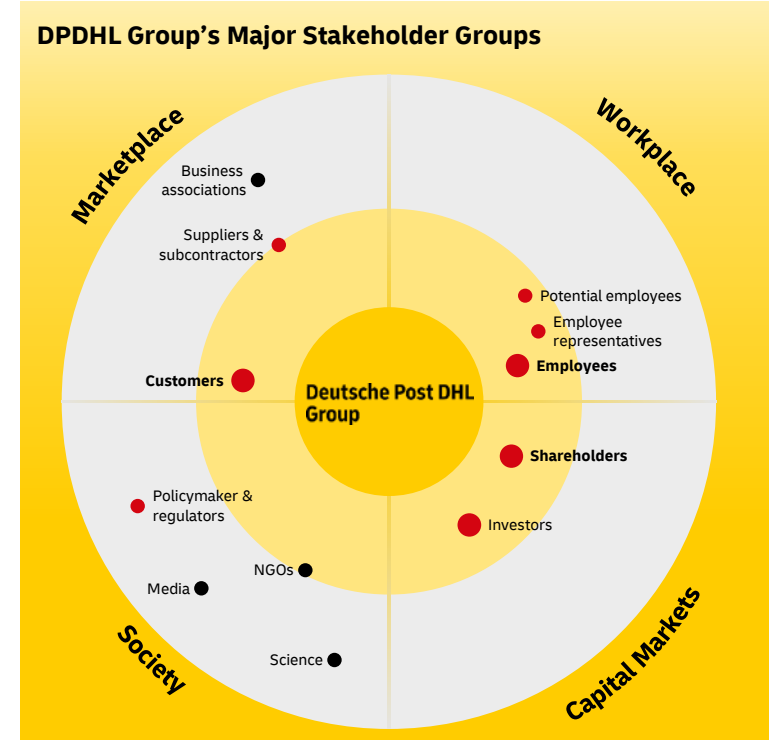
Regular, open and constructive dialogue with our stakeholders is part of our strategic management process. We work together to develop solutions to future social and business challenges that we consider to be material for our company. Our dialogue formats are based on our Stakeholder Engagement Guidelines (AA1000 Standard).

Dialogue formats (not exhaustive)

- **Employees:** Internal management roadshows, town hall meetings and regular meetings conducted in addition to routine meetings with direct supervisors. We are also in close contact with employee representatives and collective bargaining partners
- **Customers:** Industry-specific customer conferences and forums on technological solutions in our three Innovation Centers
- **Investors:** Numerous conference calls, one-on-one meetings, roadshows and IR tutorials conducted. We also engage in dialogue with ESG rating agencies

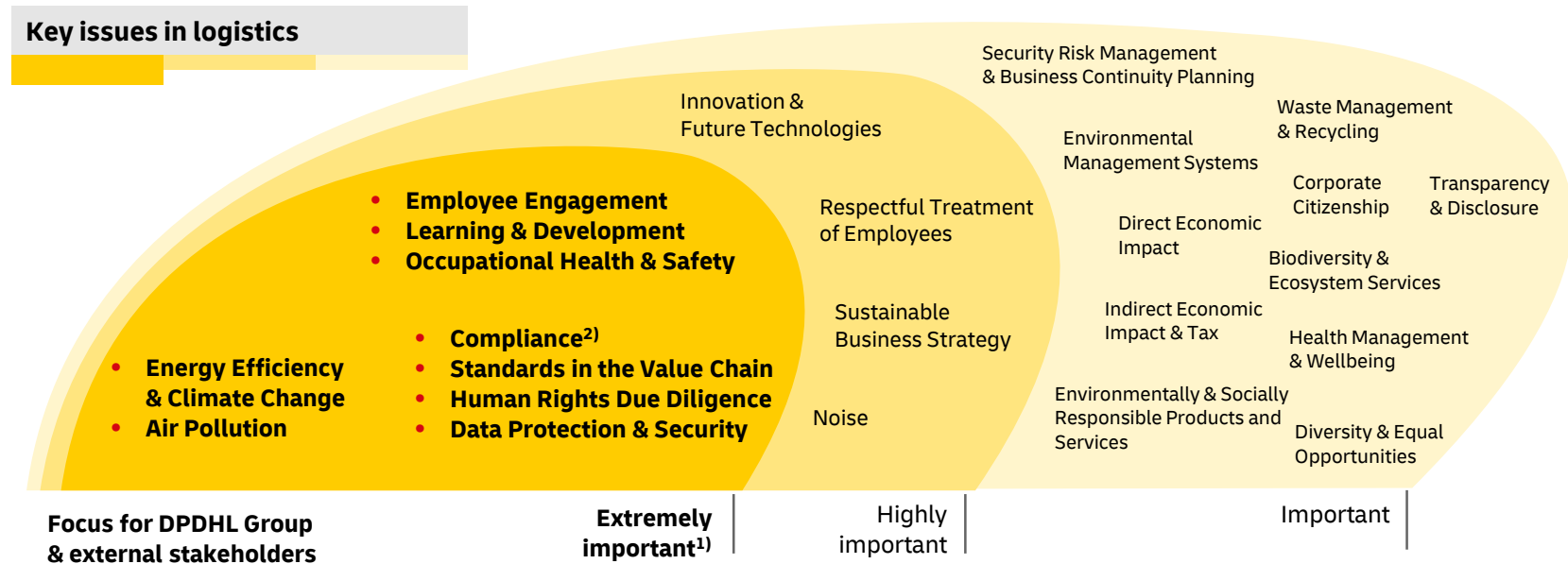
→ Guideline

Critical for our ability to operate ●
Other stakeholders ●



Materiality Analysis – Key issues in the logistics sector

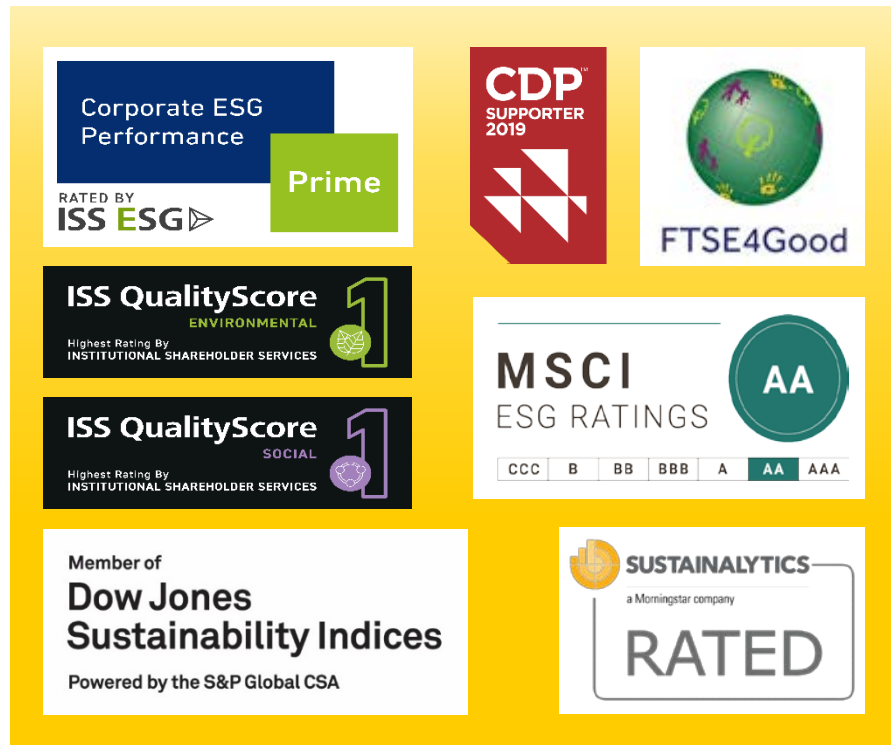
We regularly conduct a materiality analysis in line with the GRI standards. We review the results together with our key stakeholders (qualitative interviews).



1) Most recently, nine material issues were confirmed with this process in 2019; 2) Focus on Anti-Corruption & Bribery

DPDHL Group's **ESG performance – high ratings received** by the most important rating agencies and supplier platforms

Rating Agency	Performance
CDP	B Rating
FTSE Russel	Confirmed member of FTSE4Good index series for more than 10 years in a row
ISS Oekom	Prime Standard, highest quality scores in environmental and social aspects
MSCI	AA Rating
S&P SAM Research	Member of DJSI World, DJSI Europe
Sustainalytics	Rated as a low risk company
Supplier Platforms	<ul style="list-style-type: none"> Ecovadis 'Advanced'. DPDHL Group is among the top 4% of evaluated companies Responsible Business Alliance 'Low Risk Category'



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Climate and Environmental Protection – Our Approach

The transportation sector is responsible for 16.2%¹⁾ of global greenhouse gas (GHG) emissions. Our share of this figure is 0.4%. The Group has set an ambitious target: Reduce GHG emissions to net zero by 2050 (including subcontractors, excluding offsetting).

- **Material topics:** Energy efficiency and climate change, air pollution
- **Policies²⁾:** Our Environmental and Energy Policy defines measures to minimize our effects on the environment. In line with our investment policy all new acquisitions must be demonstrably more carbon efficient than existing assets
- **Management system:** We implement our environmental standards across the Group and create a uniform framework for a 'green' thinking and action (based on ISO standards)
- **Renewable energy:** Renewable energy is the primary source of electricity across the Group

Our programs and partnerships support the UN Sustainable Development Goals.

1) Source: Climate Watch, WRI (2020); 2) Environmental Policy, Investment Policy, Green Electricity Policy



Energy Efficiency and Climate Protection – Two-fold approach to reducing GHG emissions



Increase efficiency

- Efficiency measures in vehicles, operations, buildings, network
- Low hanging fruits already picked, further improvements become more difficult

Use clean technologies

- Substitute remaining energy demand with clean fuel alternatives such as electricity, hydrogen or synthetic fuels
- Picking up momentum as technologies evolve





2020 Environmental measures in geographical regions

Shares of renewable energy use and ISO certified sites further increased.

AMERICAS



900 vehicles with alternative drives

97% electricity from renewable energy sources

Climate neutral products offsetting projects

- Aruba: Energy from wind
- Brazil: Energy from compost
- Chile: Electricity from waste
- Guatemala: Water filters

EUROPE



16,200 vehicles with alternative drives

93% electricity from renewable energy sources

OTHER



350 vehicles with alternative drives

39% electricity from renewable energy sources

Climate neutral products offsetting projects

- Eritrea: Well rehabilitation
- Lesotho: Stoves replace firewood

ASIA PACIFIC



550 vehicles with alternative drives

61% electricity from renewable energy sources

Climate neutral products offsetting projects

- India: Wind power plant
- Laos: Hydroelectric power plant
- Vietnam: Small biogas plants

GLOBAL

12,632 sites, of which 59% ISO certified

- 49% certified by ISO 14001
- 51% certified by ISO 50001
- 41% certified by both

~ 2bn climate neutral products

→ [Climate neutral offsetting projects](#)

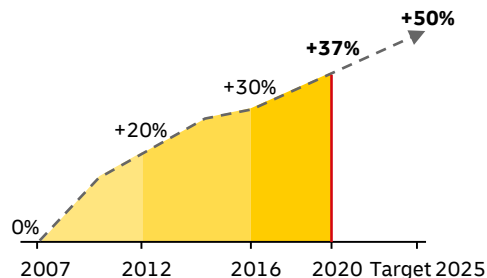


GHG Efficiency KPI – The Carbon Efficiency Index

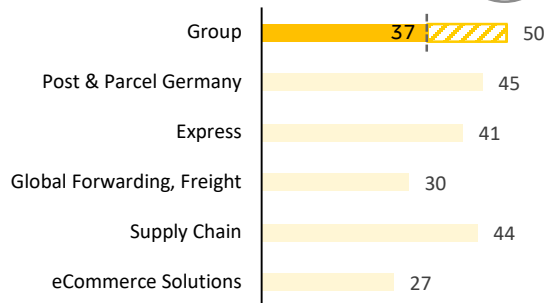
We measure and manage our GHG efficiency using the carbon efficiency index (CEX). Our goal is to improve the CEX to 50 index points (ip) by 2025 compared to the base year 2007. In 2020, we were able to increase efficiency by 2 ip to 37 ip. Key drivers:

- Shifting airfreight volumes from passenger aircraft to our own, more efficient cargo aircraft
- Increased volumes in our German parcel business and the international e-commerce business, which lead to improved network utilization
- Improved efficiencies in ocean freight business

GHG Efficiency Improvement



2020 CEX by Divisions (index points)



Calculation of CEX

$$\text{Efficiency of DPDHL service} = \frac{\text{CO}_2\text{e from our operations including own transportation and those of subcontractors}}{\text{Footprint of DPDHL service}} = \frac{\text{Sum of products/services our customers purchased from DPDHL}}{\text{Reference base of DPDHL service}}$$

Division	Reference base
Post & Parcel Germany	CO ₂ e per liter (volume) of parcels and letters
Express	CO ₂ e per ton kilometer (TKM)
Global Forwarding, Freight	CO ₂ e per ton kilometer (TKM)
Supply Chain	CO ₂ e per m ² warehousing; per transport revenue
eCommerce Solutions	CO ₂ e per pieces

→ 2020 ESG Statbook

GHG Emissions – Our Footprint

The relative share of the different transportation modes to GHG emissions has been mostly stable over the years. Air (66%) and road transport (22%) are the main sources of our emissions (ocean 10%, buildings 2%). In 2020 our GHG emissions decreased slightly to 27.38 m t CO₂e¹.

Main drivers:

- Air freight: Shift of volumes from passenger to own, more efficient freighter aircraft as well as the pandemic-related shortage of capacity
- Ocean freight: Increased efficiencies in our ocean freight business
- Road transport: Increased volumes in our national parcel and international e-commerce business
- Buildings: Share of renewable electricity increased to 86%

Calculation methodology: GHG emissions are calculated automatically via our financial systems based on GHG Protocol and other international standards².

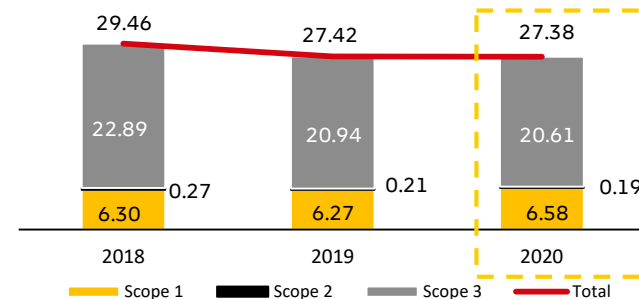
- Compensation via offsetting not included
- Subcontractor emissions (scope 3) are included using calculation models derived from the same standards

1) Tank-to-wheel; metric ton (= 1,000kg)

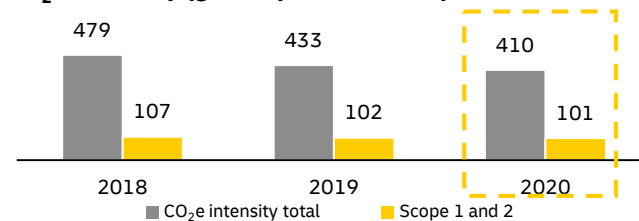
2) GHG emission calculations are based on the guidelines of GHG Protocol, GLEC, EN 16258 standard and ETS



GHG Emissions Development (m t¹ CO₂e)



CO₂e Intensity (grams per € revenue)

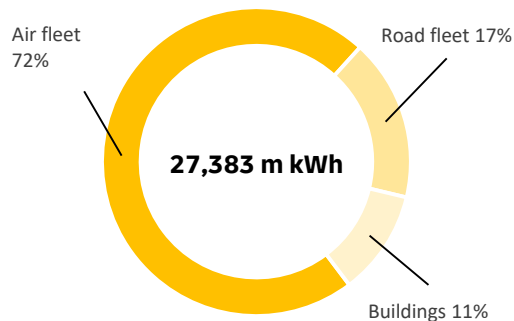


Energy Consumption – Our fuel consumption reflects the ongoing heavy demand for transportation solutions

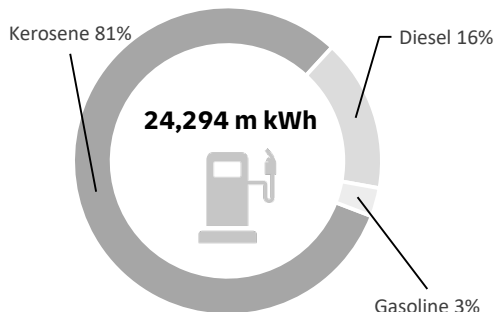


The total energy consumption increased by 4.5%. Air transportation increased by 5.4% while road transportation decreased by 8.0%. Consumption in buildings reduced by -0.6% mainly driven by increased using of renewable electricity.

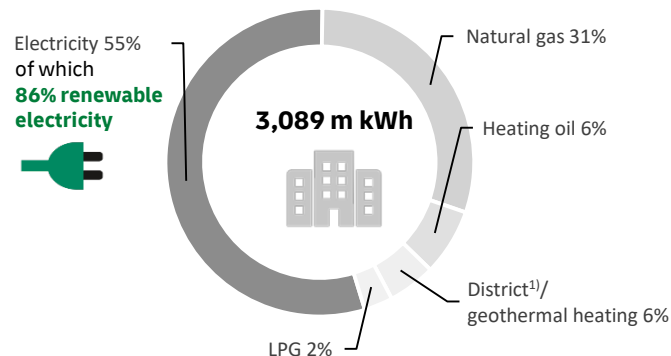
2020 Energy Consumption Total (Scopes 1 and 2)



Of which: Fleet Energy Consumption



Of which: Buildings Energy Consumption



1) Including district cooling

Air Pollution – Our Approach

Burning fossil fuels results in local air pollutants such as mono-nitrogen oxides (NO_x), sulfur dioxide (SO₂) and particulate matter (PM₁₀), which negatively impact air quality, especially in urban areas.

Our business model bears a share of this responsibility, which is why we want to minimize air pollution with zero-emission solutions such as pick-up and delivery by foot, bicycle and electric vehicle. In addition, these measures help reduce noise pollution and take some of the pressure off the parking problem in cities.

Zero-emission delivery in pick-up and delivery operations

- Post & Parcel Germany: ~28,500 bicycles, including ~8,000 e-bikes and ~8,700 e-trikes, 4% of delivery districts by foot
- Express - City Hub solution: ~100 cargo bikes to pick up and load pre-sorted delivery containers at central points



GHG emissions savings per year

- E-bike up to 5 t¹) CO₂e
- CubiCycle up to 8 t¹) CO₂e

1) Tank-to-wheel; metric ton (= 1,000kg)

→ [2020 ESG Statbook](#)

Air Pollution – Modernizing Air Fleet

Our air fleet consists of 280 dedicated cargo aircraft including smaller feeder aircraft.

We are continuously modernizing our own aircraft.

14 Boeing 777 freighters are gradually being brought into operation. They will generate 18% efficiency improvements and consume less fuel compared to the aircraft replaced

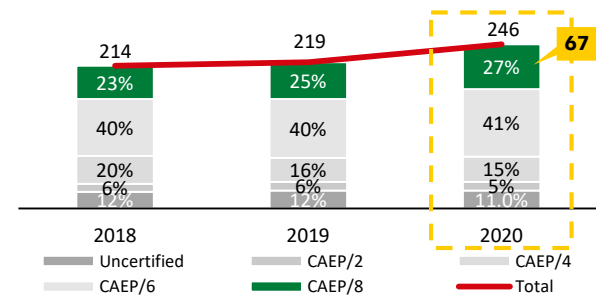
- **27%** of our aircraft¹⁾ comply with the highest NO_x emission standards
- **30%** of our aircraft¹⁾ comply with highest noise regulation standards

1) Without feeder aircraft.

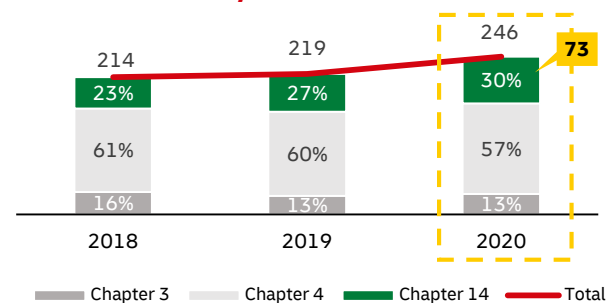
→ [2020 ESG Statbook](#)



Dedicated Aircraft¹⁾ by NO_x Emissions Standards



Dedicated Aircraft by Noise Standards



Air Pollution – Modernizing Road Fleet



Our road fleet consists of ~106,000 vehicles:

- 73% vans, 10% trucks, 17% cars
- ~18,000 of our vehicles are equipped with alternative drive systems (equivalent to 17% of our road fleet); an increase of 32% compared to 2019
- 15,400 e-drive systems already in operation

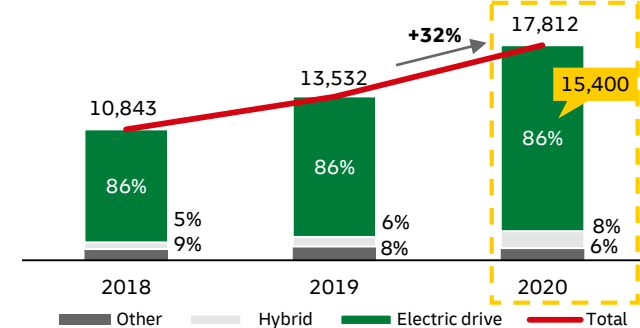
We continuously upgrade our conventional vehicles in accordance with the latest emissions standards.

- 88% of vehicles are compliant with Euro 5 or Euro 6 standards, or were entirely emissions-free (ZEV)

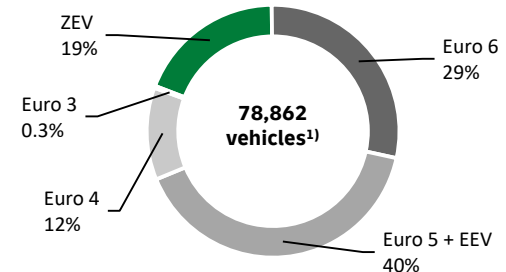
1) Comprises the largest vehicle fleets in areas covered by the Euro emissions classifications → [2020 ESG Statbook](#)



Vehicles with Alternative Drives



Vehicles by Emission Class¹⁾





Environmental Products for our Customers

With our environmental products, we pass on our expertise in climate-friendly logistics processes to our customers.

Transparency through Carbon Reports

- Transparency on carbon footprint based on latest accounting standards
- Baseline to evaluate carbon reduction decisions



CARBON REPORT

Offsetting through Climate Neutral

- Certified neutralization of climate impact by investing in high-quality climate protection projects along the entire supply chain
- All-in-service that allows the customer to focus on core business



CLIMATE NEUTRAL

Avoid & Reduce with Green Solutions

- Low-emission road freight
- Green real estate solutions
- Network, product and carrier management
- Waste management and recycling (Envirosolutions)



DHL GOGREEN
SOLUTIONS

→ [Website](#)

Best Practice Examples **Air Transport** – Sustainable Aviation Fuel

Flights from Schiphol and San Francisco using sustainable aviation fuel (SAF)

- DHL Express began using SAF in regular operations for the first time from Amsterdam and San Francisco airports
- SAF supply agreements have been signed with Shell (for Amsterdam) and Neste (for San Francisco); agreements cover the entire consumption at both airports (blending ratio >35%)
- SAF is made from sustainably sourced, renewable waste and residue raw materials
- In its neat form and over its lifecycle SAF reduces GHG emissions by up to 80% compared to fossil jet fuels



- Reduction of GHG emissions up to 80% compared to fossil jet fuels
- SAF use still limited to a 50% blend with conventional jet fuel by fuel standards



Best Practice Examples **Ocean Freight** – Sustainable Marine Fuels

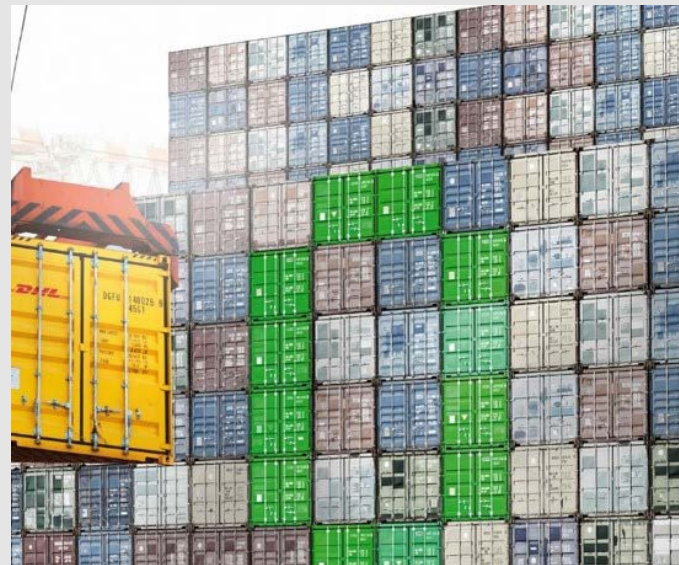
Sustainable marine fuels (SMF) for all Less-than-Container-Load shipments (LCL)

- Customers already had the option to purchase SMF for ocean freight shipments in recent years
- DHL Global Forwarding is now purchasing SMF for all LCL shipments - at no extra cost for the customer. For full-container load shipments, this remains an optional product for our customers
- Transport emissions are reduced according to the mass balance principle²⁾. Global Forwarding ensures that the corresponding amount of sustainable fuel is used on container ships

1) Mono-nitrogen oxides (NOx), particulate matter (PM10), sulfur dioxide (SO₂); 2) Definition of mass balance: SMF does not have to be used on the actual vessels the shipments are transported on, as all vessels emit GHG into the same atmosphere



- SMF reduces up to 100% GHG emissions
- Eliminates local pollutants¹⁾ NO_x, PM₁₀ and significantly reduces SO₂



Best Practice Examples **Road Transport** – Decarbonization of Freight transport

Collaboration with customers and subcontractors in Sweden

- Insetting initiative ‘Skicka Grönt’: Customers can support climate-friendly transportation for a small surcharge
- Revenues will be used for financial support for subcontractors when investing in green alternatives: >200 clean vehicles have been put onto the market
- To date, these vehicles have driven more than ~32m km, corresponding to more than 800 laps around the earth or about 40 round trips to the moon

Thought Leadership

Find out more about insetting in the white paper ‘Carbon Insets for Logistics’ jointly developed by Smart Freight Centre and DPDHL Group.



- **43% share of alternative fuels in road transport Sweden**
- **Carbon efficiency increased by 45% compared to 2008 baseline**
- **32m km have been driven so far**



Best Practice Examples Road Transport – **Emission-free Pick-up and Delivery** – We are testing various technologies in our operations



City Hub Concept

Rollout Status Express – example NL

- 14 cities in the Netherlands run on zero emissions
- 16 city hubs across the country
- ~100 green vehicles and ~100 cargo bikes: Cargo bike can carry 125-kg containers for inner-city deliveries
- Positive impact of regulatory measures



Electrification

Rollout status

Post & Parcel Germany

- 14,000 E-vehicles (vans)
- 19,200 chargers
- 200m km driven = 80,000 t GHG emissions avoided
- Positive impact of regulatory measures

Express

- ~1,500 smart chargers including load management in preparations at 46 sites and 19 countries all over Europe
- 156 chargers successfully implemented in 9 countries

Truck project at Global Forwarding, Freight

Subsidy Project Freight Germany

- Testing of vehicle-to-grid (V2G) communication with fast charging systems at Freight Germany
- 2 to 3 distribution trucks in operations



Best Practice Examples – Buildings

Photovoltaics

At one of our sites in Panama photovoltaics provide 82% of the energy required. 65 t CO₂e emissions have been already saved¹⁾.

Zero-emission facilities

- Our site in Tampere (Finland) combines state-of-the-art photovoltaics with geothermal systems for heating and cooling
- Our logistics center at Cologne-Bonn Airport (Germany) uses an ice energy storage system with a holding capacity of >1 million liters for heating and cooling. In combination with a heat pump and photovoltaics it's also entirely emissions free

1) Savings achieved in 2019.



High use of alternative building technologies and renewable electricity

- Less than 2% of our GHG emissions are attributed to our sites



Other topics – Biodiversity, natural resources, noise, waste

These topics are not considered material by us or our stakeholders, since our business model does not have a serious impact in these areas. Nevertheless we consider these issues to be socially relevant, and inform on them briefly.



Biodiversity

- Our sites are predominantly located in urban areas or designated industrial and commercial zones
- Hence, our business operations generally do not have a negative impact on conservation areas or endanger protected plant or animal species
- Our Group-wide Policy on the Usage of Liquid Biofuels also addresses biodiversity aspects in the countries where biofuels are produced



Natural Resources

- Paper
- We use only recycled paper products where these meet our technical and economic requirements
- Water
- Water is mainly used by our employees for sanitary needs
 - Maintenance or scrapping of our aircraft, road vehicles is generally the responsibility of the manufacturer or other third-party providers



Noise Pollution

- Management teams at Group sites located in or near residential areas work closely with residents and other stakeholders to ensure that any noise pollution we cause is kept to an acceptable minimum
- Increased use of electric vehicles for pick-up and delivery and modernization of our air fleet is also helping to reduce noise pollution



Waste & Recycling

- We try to avoid waste whenever possible and take increasing advantage of digitalization
- We support recycling, contributing to the circular economy
- Our contracts for maintenance and disposal include explicit requirements for compliance with environmentally friendly practices

External initiatives: UN Convention on Biological Diversity, United for Wildlife Transport Taskforce, Pro Recycling Paper Germany

→ [2020 ESG Statbook](#)

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- Occupational Health & Safety
- Employee Development

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Social responsibility for our employees as well as for the communities in which we operate



We define Social Responsibility (S) as the responsibility for ...

... our employees.

Great company to work for all – Our Focus

Employee Engagement

Respect for Human Rights

Occupational Health & Safety

Employee Development



Employer of Choice is one of our three strategic goals

... the communities we operate in.

Corporate Citizenship – Our Focus

LOCAL ENGAGEMENT

Participating in volunteering activities to serve local needs



Employee Volunteering

GLOBAL ENGAGEMENT

Taking responsibility to position DPDHL Group as a global citizen



Disaster Management



Improving Employability



Protecting the Environment

BUSINESS ENGAGEMENT

Solving global challenges with a business mindset



Facilitating Trade

We make a difference through our logistical expertise and the engagement of our employees

Through our programs and partnerships, we support the UN Sustainable Development Goals.

Employer of Choice – Our employees are our most valuable asset

With around 570,000 employees, we are one of the world's largest employers in our industry.

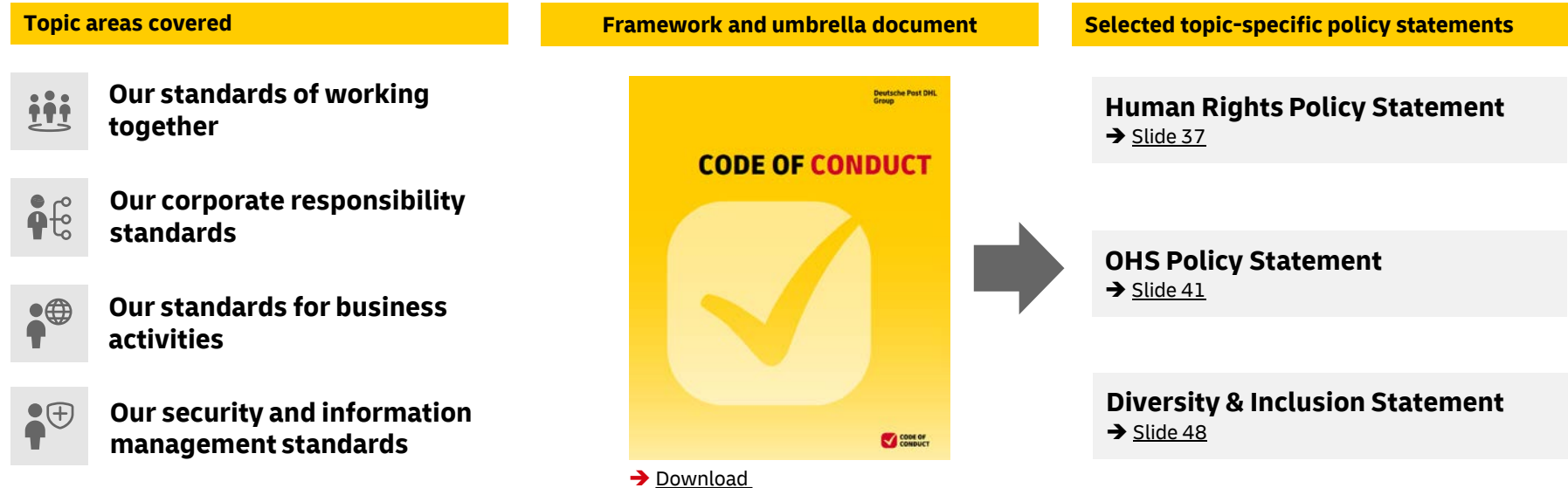
- We aim to be employer of choice – attracting competent and committed employees, continuously developing them and retaining them over the long term
- Motivated employees are the prerequisite for excellent service quality and thus for the satisfaction of our customers and the sustainable success of our business
- In line with our six leadership attributes, we promote open communication, create a safe and non-discriminatory working environment in which employees can develop as individuals



Code of Conduct – The Group-wide framework for guidelines and regulations to ensure responsible and ethically irreproachable conduct



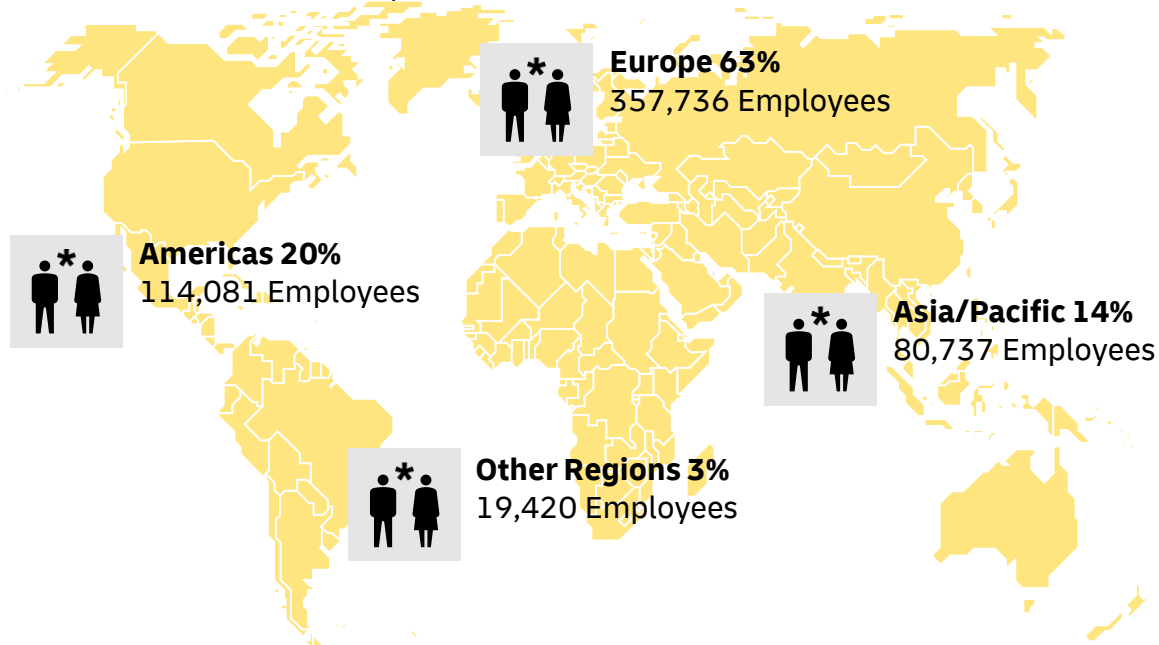
Our values are anchored in our Code of Conduct (Code). In 2020, we updated our Code as some aspects have become more important, e.g. information security, social media and corporate security. The updated version is more reader-friendly and provides clearer guidance. In addition, there are further Group-wide or regional policies and guidelines that are based on the Code or derived from it.



DPDHL Group is one of the largest employers in the logistics industry

Employees by geographical regions

Workforce: 571,974 headcount at year-end



2020 Highlights Group-level

- Workforce growth +4.6% vs. 2019
- Americas +18.3%
- Staff costs +2.9%
- Women in management +1%
- Average age 40

Further Employee Data

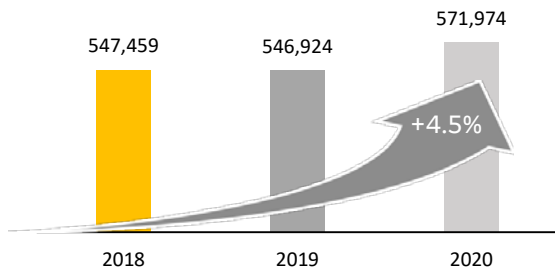
Apprentices & trainees (headcount)	5,054
Female employees	34.2%
Female managers	23.2%
Part-time ratio	18%
External personnel (FTE on average)	77,301

→ [2020 ESG Statbook](#)

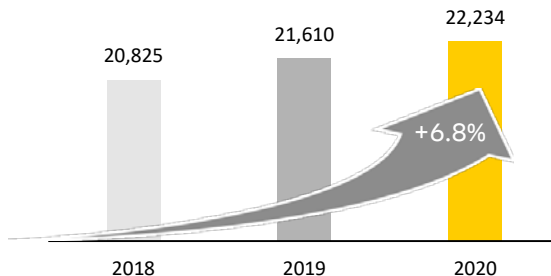


Workforce and staff costs development

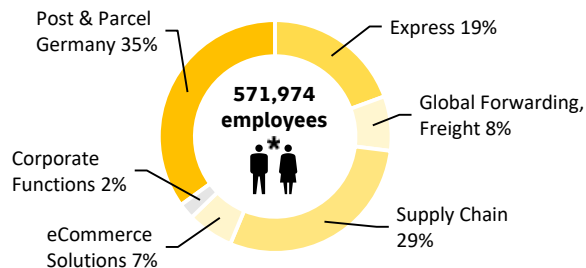
Workforce development¹⁾



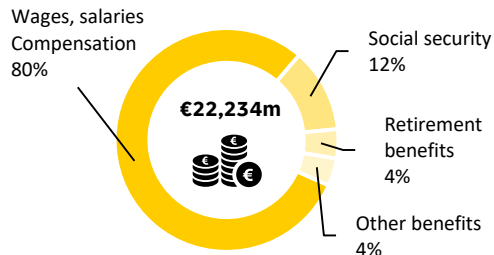
Staff costs development (million €)



2020 Workforce by divisions¹⁾



2020 Staff costs by categories



2020 staff costs

- Salary increases, new hires, early retirement program (€108m)
- The corona bonus of €300 for each employee (€163m)

Pensions

- 70% of our employees participate in defined benefit or contribution plans
- Largest pension plans in D, UK, US, NL, CH
- Costs for the company pension plan at €944m

Compensation for members of the Corporate Board and Supervisory Board accounts for 0.06% (€15.2m) of staff costs

Source: 2020 Annual Report, 2020 ESG Statbook; 1) Headcount as of Dec 31

→ [2020 ESG Statbook](#)

Material topics identified for our business together with stakeholders – All topics are covered by dedicated actions and measures

Dedicated measures and targets for material issues

Topic		Objective	2020 Achievements
Employee engagement → Page 36		Consistent level of employee engagement throughout the Group	82% employee engagement
Respect for human rights → Page 37ff		Embed human rights awareness in our day-to-day work to prevent human rights violations	Human Rights Policy Statement issued and remote on-site reviews and trainings conducted
Occupational health & safety → Page 41ff		Avoid accidents in the workplace	LTIFR decreased to 3.9
Employee development → Page 46f		Develop our employees into best-in-class experts and provide a lifelong learning journey for our employees	74% of our employees completed the Certified foundation module

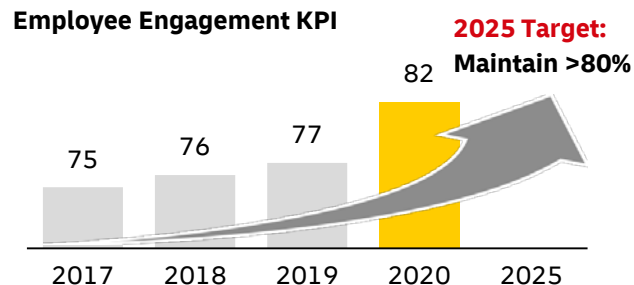
Employee Engagement – The most important driver for solid business performance

Our employees are our greatest competitive advantage – engaged employees bring their best to work everyday, achieving great results for customers. Employee Engagement is thus our relevant ESG KPI and is taken into account when calculating managers' bonuses.

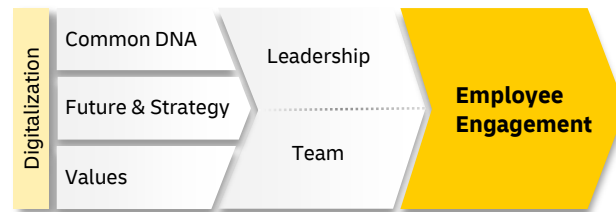
Measuring the satisfaction and commitment of our employees via the annual Group-wide Employee Opinion Survey is an important tool for us.

- **The survey:** Conducted once a year, addressing all our employees
- **Questionnaire:** 35 questions across 9 indicators
- **2020 Employee Engagement:** 82% → +5% points
- **2020 response rate:** 75% despite an exceptional year

Follow-up tools and shared lighthouse examples make best practices accessible to managers and teams, supporting joint discussions towards further improvements and celebrating achievements. Together with Internal Audit we regularly review the processes and procedures to further improve survey execution.



Scope of Employee Opinion Survey



Human Rights – Our Guidelines and Measures

The Code of Conduct is based on principles and guidelines of the UN (including ILO¹⁾) and the OECD²⁾. With our Human Rights Policy Statement, we focus on human rights relevant for our business and operations. Both policies are binding for each and every one of our employees in the Group.

Our Measures:

- **Governance:** Accountability for execution of our principles and guidelines overseen by the Corporate Board
- **Trainings:** Through our Building Great Employee Relations training program we create awareness for human rights aspects in our daily business. Since its rollout, around 12,000 employees and managers across the Group have completed this training
- **Due diligence:** Risk assessment, mitigation via on-site reviews and grievance mechanisms & remedies
- **Stakeholders:** Engagement with employees and partners

1) International Labour Organization; 2) Organization for Economic Co-operation and Development



HUMAN RIGHTS POLICY STATEMENT



Fundamental and primary human rights

- Child labor
- Forced labor
- Diversity and inclusion
- Freedom of association and collective bargaining
- Working conditions
- Data privacy
- Environment

Human Rights – Management System

We use our management system to ensure uniform implementation of our principles throughout the Group as outlined in our Human Rights Policy Statement.

Main focus areas:

- Raising awareness through training for all managers with employee responsibility and communication campaigns addressing all stakeholders
- Risk assessment and mitigation through on-site reviews in our operations. Country selection is based on internal and external criteria¹⁾
- Grievance mechanism and remedies: Implementation through local management, HR departments and compliance channels

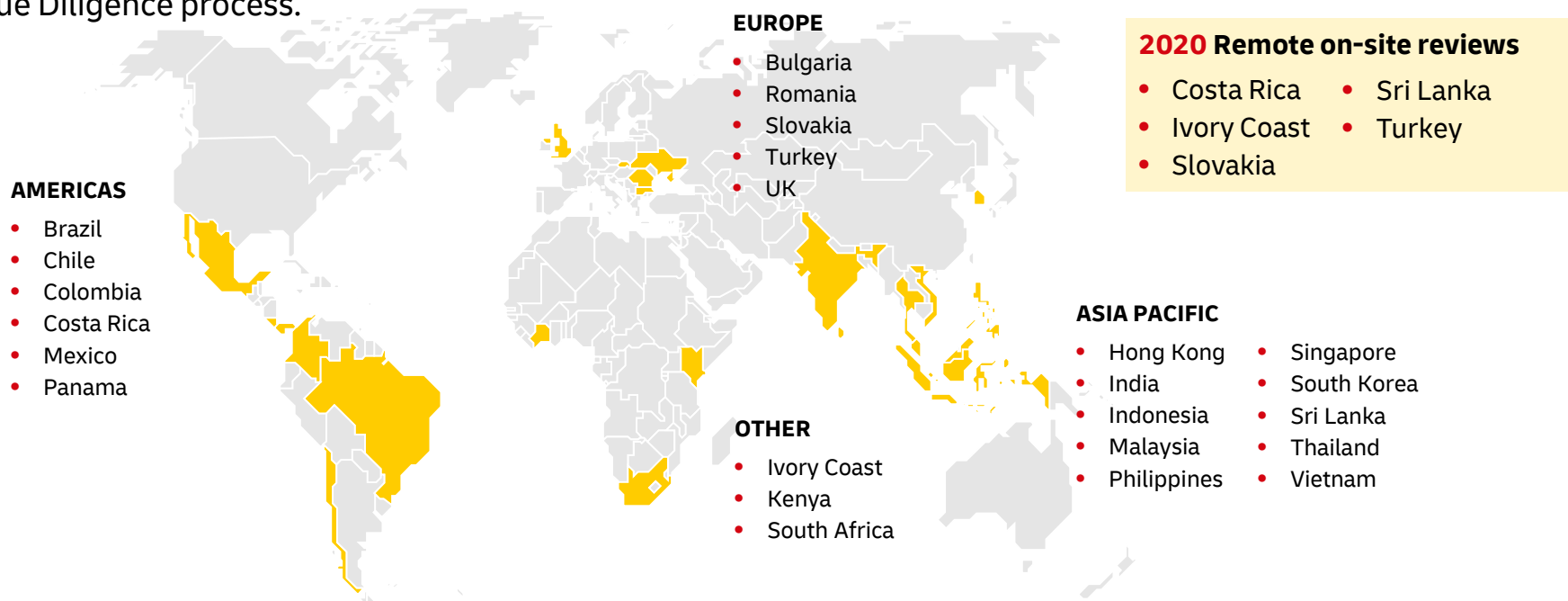
¹⁾ Internal criteria: e.g. number of employees, external criteria: e.g. Maplecroft Institute (Human Rights Index), Transparency International (Corruption Perception Index).



Human Rights – Risk assessment and mitigation via on-site and remote reviews



Since 2013, on-site reviews have been conducted in all geographical regions as part of the Human Rights Due Diligence process.



Human Rights – Dialogue with **Employee Representatives**

With our well established dialogue process at all levels we continue our open and trusting dialogue with employee representatives.

Levels

Global

Exchange with global union federations (UNI) and the International Transport Workers' Federation (ITF) since 2009.

Regular dialogue under the protocol of the German National Contact Point for the OECD (since 2016). Focus points:

- Challenges and opportunities of innovations, trends at work
- Employee relations matters

Europe

Deutsche Post DHL Forum, a European works council by agreement comprising employee and management representatives.

- Various committees advise on the Group's performance
- Plenary sessions with the participation of UNI and ITF

Local

- Well established communication formats between employees, their representatives and local management
- Employee committees, works councils, unions or other bodies in place



2020 KEY FACTS

- **Collective bargaining agreements: Coverage at 74%¹⁾**
- **>40 meetings on global and European level**



1) Estimated share of employees under contracts governed by collective labor agreements, works agreements or statutory requirements

OHS – Our Approach

The health and safety of our employees at work is extremely important to us. Our Strategy 2025 makes it our mission to create a culture of safety at work within the Group.

- We emphasize raising awareness among managers about their function as role models, and among employees with regard to potential hazards
- Compliance with the Group's Code of Conduct, OHS policies, and with statutory regulations and industry standards is particularly important to us
- Our Supplier Code of Conduct requires our business partners to adhere to these same high standards
- Our Codes of Conduct embed certain practices in our own operations and those of our business partners

Deutsche Post DHL Group is official partner of the EU-OSHA Healthy Workplace campaign

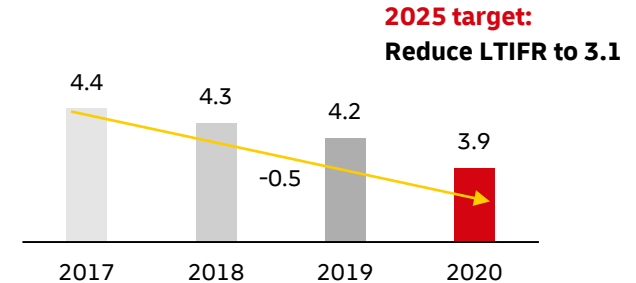


→ [OHS Policy Statement](#)

→ [2020 ESG Statbook](#)



Accident Rate (LTFR) per 200k hours worked Trend

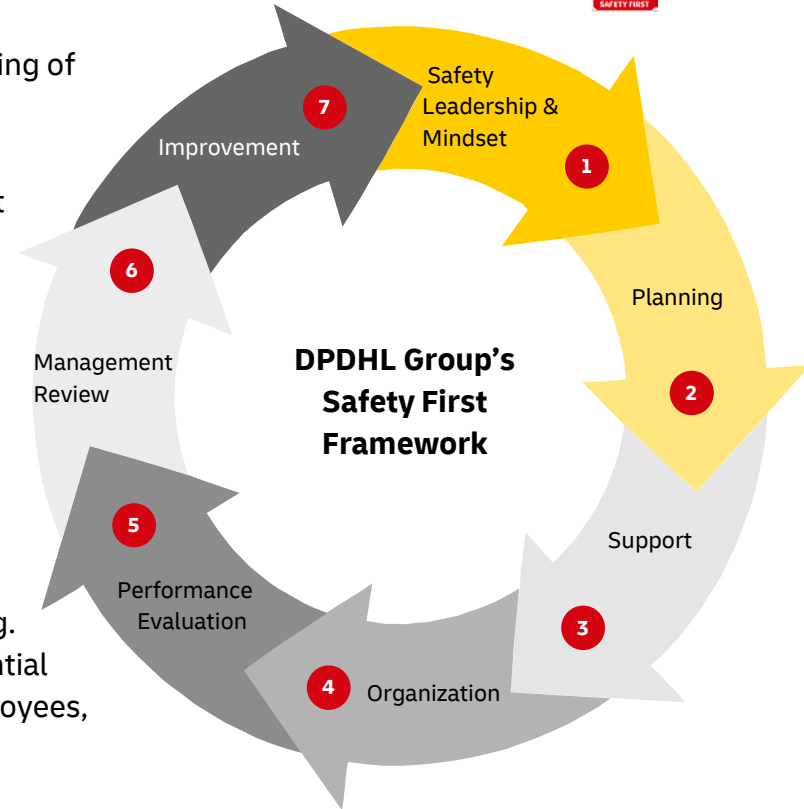




OHS – Our Safety First Framework

With our safety first framework we want to ensure a uniform understanding of safety measures and help our business units to achieve our goals.

- Complying with relevant legal and contractual requirements, thereby ensuring business continuity for our customers through the consistent application of effective health and safety related processes
- Providing a safe, healthy and fulfilling working environment for our employees
- Securing our growth and earnings by ensuring that the health and safety of employees are respected across the globe, in line with our guiding principles of Respect & Results. Causes of accidents are meticulously analyzed and documented in order to prevent a recurrence of such incidents
- Practices in our own operations and those of our business partners, e.g. workplace risk assessments, regularly instructing employees on potential risks and hazards, implementing preventive measures to protect employees, external workers and others from injury, and regular safety training





OHS – Safe transport of dangerous goods

We specialize in transporting dangerous goods and materials subject to our terms and conditions. We instruct employees accordingly to ensure we provide safe, professional transportation and storage.

- Dangerous goods are stored and transported in accordance with applicable international and national safety standards, including the European Agreement concerning the International Carriage of Dangerous Goods by Road and the IATA Dangerous Goods Regulations
- Only specially trained employees are permitted to handle dangerous goods
- In all divisions, dangerous goods safety advisors ensure compliance with applicable regulations
- Dangerous goods guidelines are issued in the languages of the countries concerned

Nevertheless, we must rely on customers to declare, pack and label their dangerous goods shipments correctly in accordance with our GTCs.



Health & Wellbeing – The health of our employees is pivotal for our success



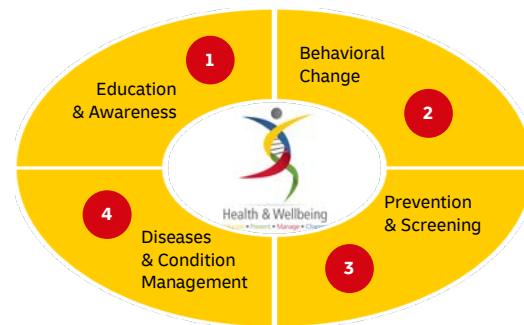
The Four Pillars of Health platform identifies the framework for our Health and Wellbeing program. It is based on the WHO's comprehensive healthy workplace model.

2020 was dominated by the Covid-19 pandemic: Protection of our employees and their families through extensive preventive measures including Covid-19 testing in the workplace. And we continued the implementation of our main health programs:

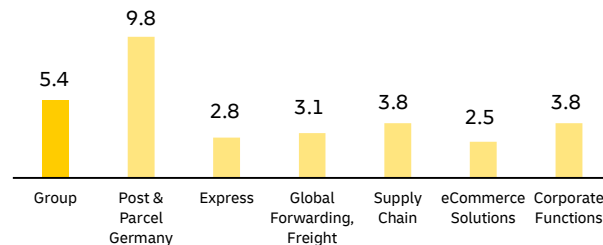
- **Employee benefits program** (health insurance outside Germany): Currently covers >250,000 employees and eligible family members based in 100+ countries
- **Mental health:** Implementation of a new risk assessment and several mindfulness programs
- **Healthy lifestyle:** >3,500 initiatives applied outside Germany

The Group's sickness rate has slightly increased to 5.4%, mainly caused by the pandemic.

Our Health Management



2020 Sickness Rate (%)



OHS – Best practice examples of the divisions

Safety Examples

Safety First Pyramid

The Supply Chain division is developing a Safety First Pyramid.

- Based on safety and operations data
- Focus on leading and lagging data
- Suitable for all levels
- Compare and benchmark operations

Know where to focus resources and improve proactive safety efforts



Advanced Technology

The Express division uses 'Kinetic wearable technology'.

- Encourages ergonomically correct postures when lifting loads
- Designed to measure physical strain
- Small light wearable unit
- No use of GPS, cameras or microphones
- Data shared with employees on a weekly basis
- Started at major locations in the US roll out

Health & Wellbeing Examples

Mental health

- New risk assessment method to assess psychological strain proven successful to lower sickness rates and enhance productivity implemented in Germany
- Digital campaigns intensified

Delivery staff health program

- Interviews with our delivery staff to investigate expectations, needs and concerns
- Toolbox developed and rollout started

Healthy Lifestyle

- Physical activity: Exercise classes and clubs, tournaments and bike-to-work
- Nutritional health: Healthy food and cooking programs, hydration, worksite food options
- Digital health: Telehealth, online exercise, cooking

Employee Development – A skilled workforce ensures business continuity

Our broad range of individual learning and development opportunities extends from basic courses through to specialized training aimed at specific target groups. Focus areas include topics such as compliance and lifelong learning, but also encompass personal development plans with appropriate training courses and activities.

Digital skills are a critical part of the business skillset and the key success factor in setting us up for the future. With our global digital learning platform we provide relevant content to all employees anytime wherever they are, empowering them to:

- Become Certified specialists
- Embrace digital transformation
- Share expert knowledge

In 2020, we introduced a new format: Global Learning Week

- Fully virtual learning conference, across all divisions and levels
- Multimodal sessions of best practice sharing themed around Learner, Leader and Environment



2020 KEY FACTS

- **3.1m hours** for trainings including **500k hours** invested in online trainings **(+25%)**
- **1 training day** per employee



2,500 EMPLOYEES participated in our Global Learning Week

Employee Development – **Certified initiative** boosting culture and expertise

With our Group-wide Certified initiative, we aim to create a team of "certified" experts with a best-in-class culture and provide a lifelong learning and engagement journey for our employees ...

... from **foundation fundamentals**, where employees gain a better understanding of our business processes and the interconnected nature of all business units

... through a broad range of subsequent modules geared towards their individual role and **functional specific skills**

... to developing **leadership skills**, based on our leadership attributes that apply to employees throughout the Group and serve as a compass for action.

All Certified modules are run by employees who have completed special facilitation training. This increases the learning effect and impact of the training, and fosters a sense of loyalty and team spirit.



2020 KEY FACTS

- 74% of our workforce have already participated in Certified foundation module
- Since 2020, we have placed an additional focus on developing front line managers to strengthen their role and support them in their leadership tasks



Diversity & Inclusion – We live up to our values

As a global company we value the diversity of our employees as a genuine strength. Our organization brings together people from a wide range of cultural backgrounds – all with different skills, experiences and viewpoints.

- Our understanding of diversity is not limited to gender, race, religion, age, disability, sexual orientation, national origin or any other characteristic protected under law
- We promote an inclusive work environment, guided by mutual respect, openness, honesty and the spirit of trust and cooperation, in order to attain the highest possible productivity, creativity and efficiency
- The diversity of our employees mirrors the diversity of our customers, suppliers and investors, enabling us to deliver innovative products and services that make our customers successful

The Diversity & Inclusion Business Council provides advice on enhancing diversity management. A divisional core team ensures the implementation of activities on divisional level.

→ [Download D&I Statement](#)



**We employ people from 183 nations
in Germany alone**

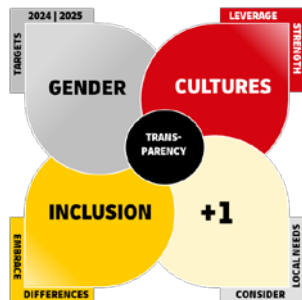
Diversity & Inclusion – our Group-wide ‘3+1’ approach

We promote female talents to increase the share of women in upper and middle management.

We value different skills, experiences and viewpoints¹⁾.

We ensure fact-based pathways to progress. We track the performance of measures and efforts.

¹⁾ Regardless of gender, ethnic or national origin, race, color, religion, age, disability, sexual orientation or identity or any other characteristic protected by law



We appreciate and actively promote cultural diversity within the Group.

We give room for business units to address topics on a regional or country level.

DIVERSITY & INCLUSION

2020 KEY FACTS

- 23.2%** Women in upper and middle management positions
- 12.5%** Women on the Board of Management
- 35.0%** Women on the Supervisory Board

2025 TARGET

30% women in upper and middle management

Employees with disabilities

>15,000 employees with disabilities work for Deutsche Post AG, Germany

Diversity & Inclusion – Main Initiatives and Activities

**DIVERSITY &
INCLUSION**
GLOBAL WEEK

Global engagement campaign that invites all employees to embrace and celebrate the D&I cause at their local facilities.

ALLY initiative

Group-wide initiative addressing all employees to foster D&I in their working environment.

Unconscious bias

A playbook as a self-training manual on how to deal with unconscious bias in promoting workplace inclusion.

Women in the Workforce

We want to increase the share of women employed in our company at all levels worldwide.

Several divisional programs are in place to build a strong community to promote togetherness.

Management career programs

Leveraging female talent pools to accelerate placements of women.



DPDHL Group Pride

Launch of the Deutsche Post and DHL 'Pride Logo' on the occasion of the International Day Against Homophobia, Biphobia, Interphobia and Transphobia (IDAHOBIT).



Delivered with pride.



Delivered with pride.

Social responsibility for our employees as well as for the communities in which we operate



We define Social Responsibility (S) as the responsibility for ...



Employer of Choice is one of our three strategic goals



We make a difference through our logistical expertise and the engagement of our employees

Through our programs and partnerships, we support the UN Sustainable Development Goals.



Corporate Citizenship – Our focus areas

We are committed to contributing to the local communities where we operate, keeping a keen eye to our Corporate Citizenship Focus Areas.

LOCAL ENGAGEMENT

Participating in volunteering activities to serve local needs



Employee Volunteering

GLOBAL ENGAGEMENT

Taking responsibility to position DPDHL Group as a global citizen

GOHELP

Disaster Management

GOTEACH

Improving Employability

GOGREEN

Protecting the Environment

BUSINESS ENGAGEMENT

Solving global challenges with a business mindset

GOTRADE

Facilitating Trade

→ [Website](#)

→ [Guideline](#)

We work with partners to ensure a sustainable impact of our activities on the ground

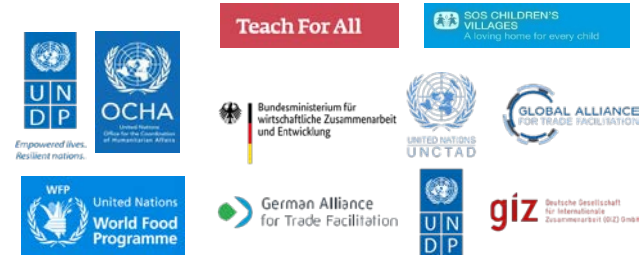
All corporate citizenship activities involve collaboration with established partner organizations.

It is thanks to the expertise of these partners that we can ensure the social relevance and effectiveness of our programs and activities.

- **Employee volunteering:** Various local partner organizations
- **GoHelp:** UN Office for the Coordination of Humanitarian Affairs (UN OCHA), UN Development Programme (UN DP), World Food Programme (WFP)
- **GoTeach:** Teach For All and SOS Children's Villages
- **GoGreen:** Various local partner organizations
- **GoTrade:** Various public sector partners



Long-term partnerships with established partners on Group level



Long-term partnerships with partners on regional or country level

Examples



Local Engagement – Employee Volunteering

The Group encourages and supports employee volunteering to contribute to their local communities.

- **Global Volunteer Day:** Major component and driver of employee volunteer work serving local needs since 2008. More than 100,000 employees worldwide volunteer their time every year
- **Improving Lives Fund:** Providing financial support to ~100 outstanding projects every year since 2011
- **We Help Each Other:** Employees and their families who have been affected by natural disasters receive support from our employees

→ [Website](#)



Global Volunteer Day launched in 2008

**>100,000 employees volunteer
their time every year**



Global Engagement – Disaster Management

In cooperation with the United Nations, we optimize logistics procedures and provide timely support at airports in the wake of natural disasters free of charge.

- **Get Airports Ready For Disaster (GARD):** Develop preparedness procedures and response plans to avoid relief-supply bottlenecks at airports in the event of natural disasters
- **Disaster Response Teams (DRTs):** Provide timely support in the wake of natural disasters, handling a range of logistics tasks at airports and coordinating the transfer of relief supplies to humanitarian organizations

We will continue our efforts to digitalize our training formats and to localize our response, e.g. with Red Cross organizations.

→ [Website](#)



Achievements since 2005

- 50+ GARD assessments
- 50+ DRT deployments and 700+ DRT volunteers trained
- 2020 DRT deployments: Brazil, Columbia, Honduras, Lebanon, Philippines, Puerto Rico

Global Engagement – Improving Employability

We aim at improving the employability of disadvantaged young people by equipping them with the skills and professional encounters needed to be prepared for the world of work.

- **Our partners:** Together with SOS Children's Villages and the Teach For All network we support young people in need as a result of poverty, loss of family or being forced to flee their home country
- **Social employee engagement:** Our partners benefit from our financial support and from the passion and skills of our employees to inspire young people about their future career and develop essential employability and life skills
- **Refugee Aid Initiative:** Since 2015, we contribute to the integration of refugees in Germany

→ [Website](#)



Achievements

- 68 partnerships in 58 countries established since 2009
- 2020 pandemic response: Virtual trainings/mentoring in 43 countries
- ~14,000 refugees hired since 2015

Global Engagement – Protecting the Environment

We encourage our employees to contribute to environmental and climate protection activities together with partners.

- **Tree planting campaign:** We are engaged in forest conservation. We will be planting one million trees a year through 2025 together with recognized partner organizations
- **GoGreen specialist:** Our employee engagement can make a key contribution to protecting the environment. We certify our employees as GoGreen specialists so as to actively involve staff in our environmental and climate protection activities



Achievements since 2016

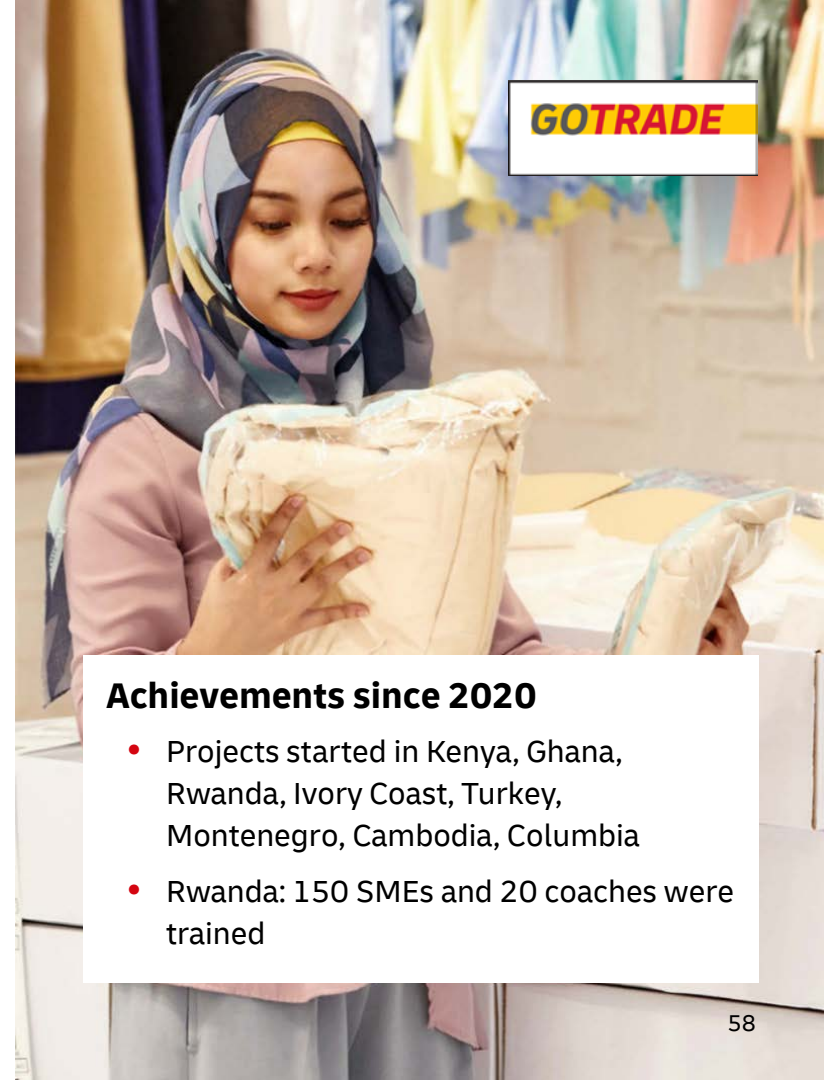
- More than 4 million trees planted
- 70,000+ employees participated in GoGreen Certified foundation module

Business Engagement – Facilitating Trade

Started in 2020, GoTrade draws on the Group's expertise in trade and logistics to promote sustainable and inclusive growth in emerging and developing countries in cooperation with public sector partners.

- **Implement best-in-class procedures at borders**
Provide expertise to speed up customs clearance, reduce delays and costs at borders and increase export/import volumes
- **Support SMEs to access the global market**
Enable Small Medium Enterprises (SMEs) to power up their potential by providing trainings, e.g. in logistics, E-Commerce, regulations and customer trends

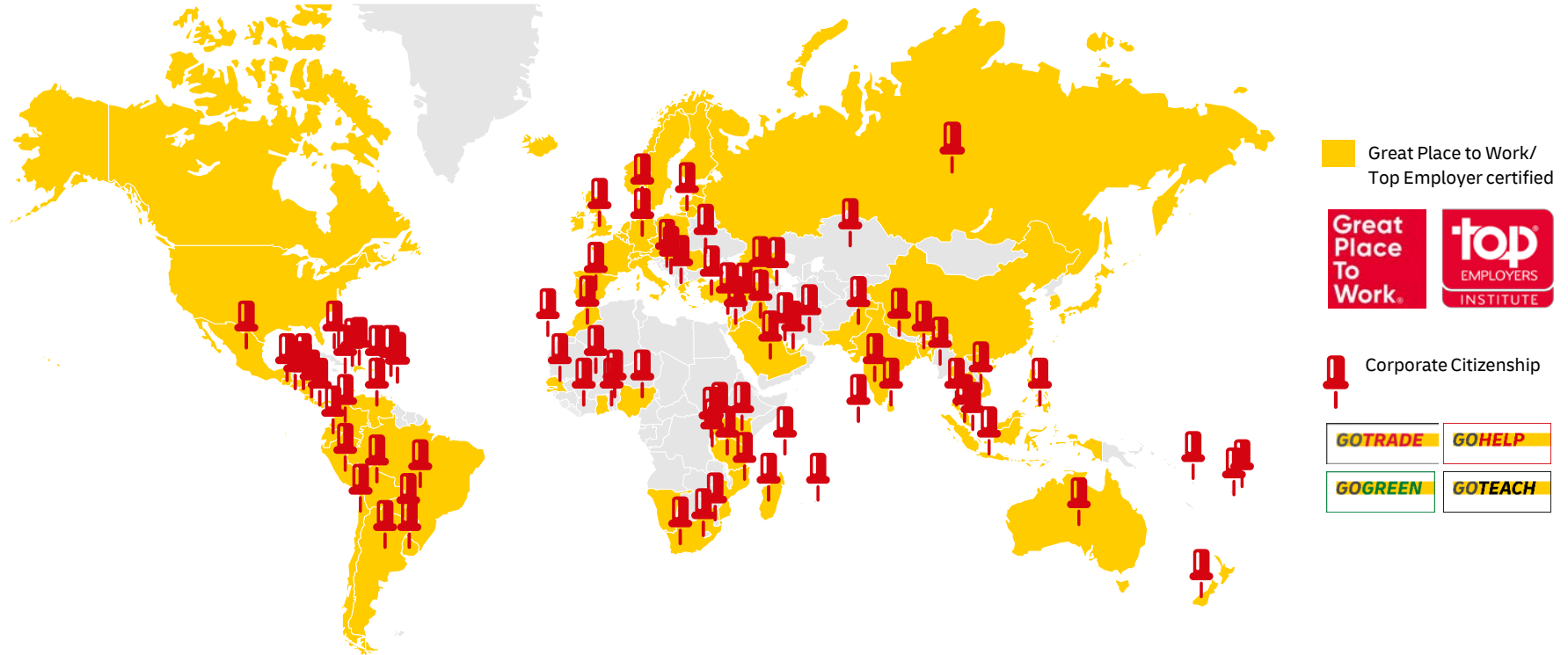
→ [Website](#)



Achievements since 2020

- Projects started in Kenya, Ghana, Rwanda, Ivory Coast, Turkey, Montenegro, Cambodia, Columbia
- Rwanda: 150 SMEs and 20 coaches were trained

We are on track to achieve our aspiration to be **a great employer as well as a reliable partner** to the communities we operate in



Contents

1 ESG Approach

Strategy
UN Global Compact
UN Sustainability Development Goals
Stakeholders
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ESG Ratings

2 Environment

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3 Social

Our Approach
Material Topics
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Corporate Citizenship

4 Governance

ESG Responsibilities & Committees
Material Topics

- Anti-corruption & bribery
- Ethical & environmental standards in the value chain
- Data protection

Other topics
Corporate Governance

5 Outlook

6 Explanations and contact

Governance – Responsibilities for ESG Topics on Board Level

At Group-level, the sustainability standards will be defined and embedded in Group policies. While the divisions are responsible for aligning customer requirements with our strategic, ethical and environmental principles as well as for embedding the Supplier Code of Conduct in their contractual relationships.



Compliance – Management System

We operate in a wide range of countries with very different political systems, laws and cultural values.

Acting in an ethically and legally irreproachable way in our dealings with business partners, shareholders and the public is a key factor in our company's reputation and the basis for DPDHL Group's lasting success.

Ensuring legally compliant conduct in our business activities and when dealing with our employees is an essential task of all of the Group's management bodies.

→ [Website](#)



Compliance – Anti-Corruption and Business Ethics Policy

We operate in a straightforward, transparent manner and in accordance with applicable laws and regulations.

- **Applicable international standards and laws:** For example, the UN Global Compact, US Foreign Corrupt Practices Act and the UK Bribery Act. We are a member of the World Economic Forum's Partnering Against Corruption Initiative (PACI)
- **Policy:** The rules for ethical conduct are defined in our Code of Conduct and are set out in greater detail in our Anti-Corruption and Business Ethics Policy. It also defines how to deal with donations and gifts to political parties and government institutions. This applies to every level and for each and every individual in the Group
- **Trainings:** We have a modular training curriculum, which employees and managers – depending on their function – are required to complete either in its entirety or selected training modules only



Whistleblower Hotline

- Any suspected violations of legal and internal rules or guidelines can be reported at any time via the compliance hotline
- Third parties can report their suspicions via a form on the Group's website
- Suspicions can be reported either by name or anonymously, where this is permitted by local law

Web application and telephone hotline

Available 24 hours a day worldwide

>40 languages

→ [Report Violations](#)

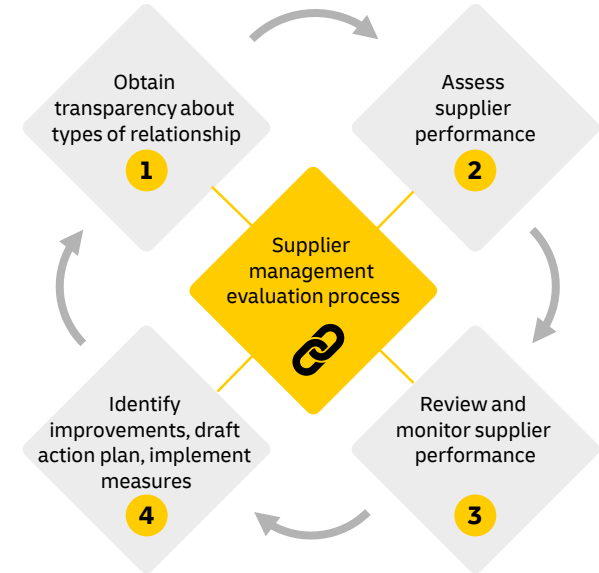
Environmental and social standards in the value chain – **Supplier Management**

The goal of our standardized, multistep selection process is to ensure that, right from the tender stage, only bidders who share our values are invited to participate.

- In line with our Corporate Procurement Policy, we prefer suppliers and transportation service providers with high environmental and social standards
- We also use external supplier evaluations and have defined threshold values in order to enable the highest possible quality and objectivity during tendering procedures
- Suppliers can use our interactive training module on the Supplier Code of Conduct in advance to learn about our requirements
- Information regarding specific supplier violations is investigated directly. If confirmed, an action plan is prepared with a fixed timeline. Depending on the severity of the violation, the business relationship may ultimately be terminated



Our Four-Step Process for Evaluating Strategic Partners



→ [Report Violations](#)

Environmental and social standards in the value chain – Supplier Code of Conduct



With our Supplier Code of Conduct (the Code) we implement our values in our supplier base. Acceptance of the Code is a requirement of suppliers doing business with DPDHL Group. We updated the Code in 2020.

An extract of the most important topics and statements:



Child Labor: No employment of children under the legal age of 15, even where local legislation permits younger children to be employed



Forced Labor: No forced, bonded, compulsory or modern forms of slavery



Compensation and working hours: Local laws, mandatory industry standards regarding minimum wages, working hours, overtime, rest breaks and paid vacation apply. Employees must be paid promptly with clear and unambiguous information, in a language they understand



Freedom of association/collective bargaining: Employees are free to decide whether to join a union or employee representative body, and if so, which one



Diversity & Inclusion: Encourage diversity and inclusion in the workplace. We do not tolerate discrimination or harassment



Health & Safety: Ensure compliance with applicable occupational health and safety regulations, and responsibility for a safe and healthy work environment must be ensured, e.g. provision of drinking water and personal protective equipment



Data Protection: Adherence to applicable data protection laws and regulations, including security of personal data



Bribery: Comply with applicable national and international anti-corruption laws and regulations



Environment: Ensure compliance with all applicable laws, regulations and standards. An effective system to identify and eliminate potential hazards must be in place. Report relevant data upon request



Conflict Minerals: Comply with all applicable laws and resulting due diligence



Business Continuity: Preparations for business disruptions of all kinds must have been made. Contingency plans must exist to protect both employees and the environment



Continuous Improvement: Proactively exchange innovative ideas that contribute to further economic, environmental or social improvement, and explore new opportunities jointly

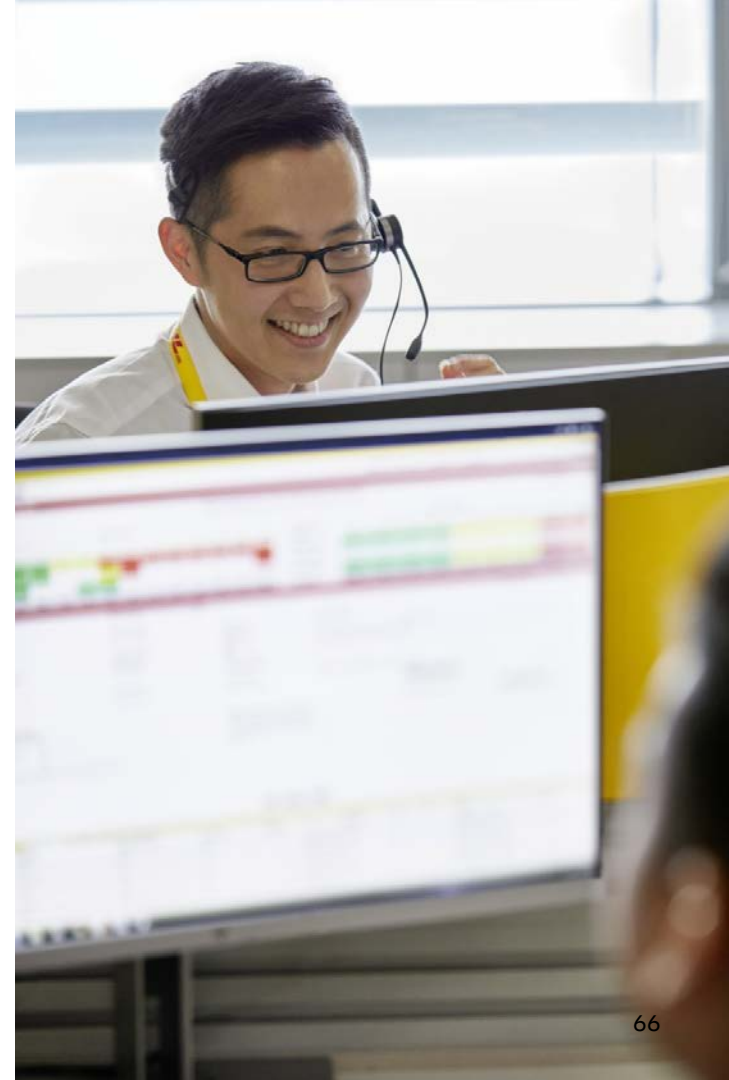
[Download](#)

Data Protection – Strengthens trust as provider and employer

Handling and processing of personal data is subject to a wide variety of requirements. Our goal is to avoid possible violation of laws or our own principles and policies.

- Our Data Privacy Policy sets out the minimum global standards for our businesses in all countries where we operate
- Our principles are embedded both in the Group and in our supply chain through the Codes of Conduct
- A data protection management structure has been implemented throughout the Group at all necessary levels. It ensures consistent implementation of our principles and the legal requirements of the European General Data Protection Regulation (GDPR) and other laws or regulations worldwide
- Our employees are familiarized with the requirements of our policy and the GDPR through online trainings and internal communication campaigns

→ [Data Privacy Policy](#)



Data Protection – Management System

We ensure the implementation of our standards and the respective legal requirements as well as the documentation by means of our management system. It comprises three focus areas:

Governance Structure

- Data protection officials on Group, divisional, country levels
- Clear definition of roles and responsibilities
- Data Privacy Steering Committee: Support for operational level
- Group data protection officer informs the Board on a regular basis (progress, findings)

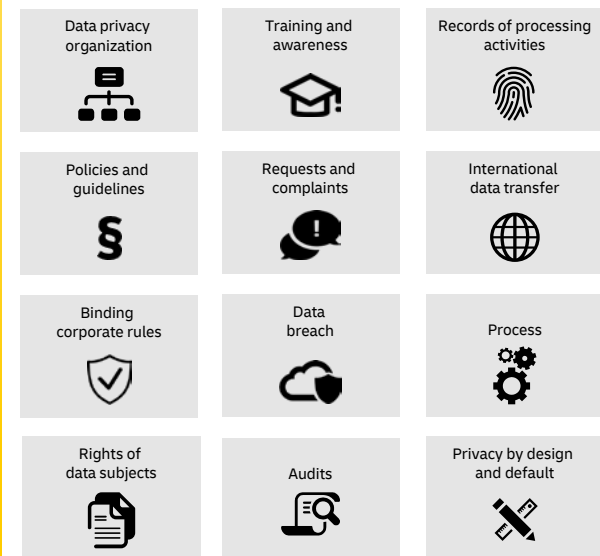
Internal Processes

- Group-wide digital inventory of processing activities
- Standardized process for privacy impact assessments
- Regular internal reporting
- Incident management

Training & Awareness

- Certified trainings on data protection
- Internal communication campaigns

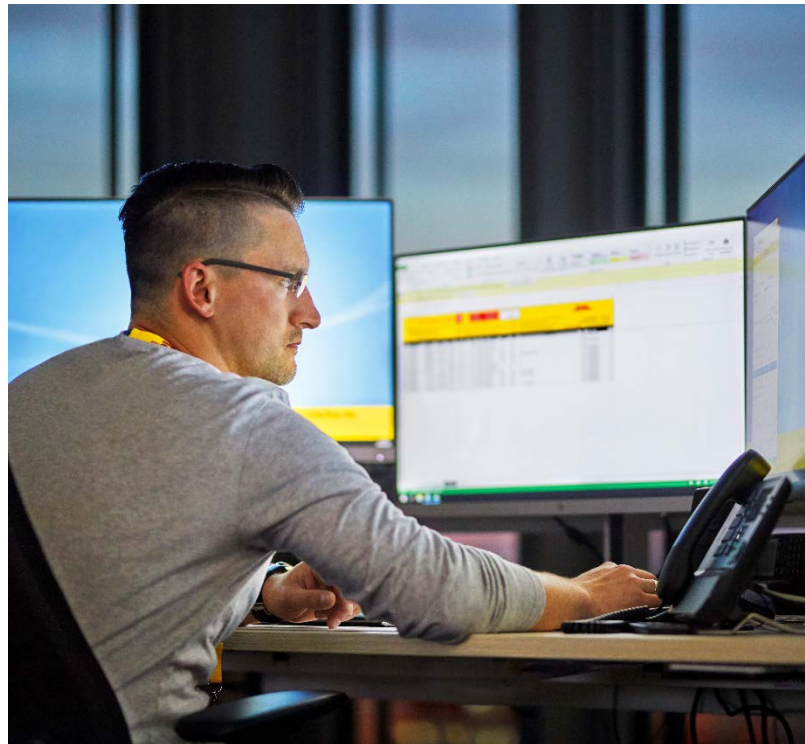
Data Protection Management System



Cyber Security – Protects our systems and the availability of our services

Our systematic IT management protects the Group's IT systems from unauthorized access or manipulation and ensures uninterrupted availability and secure, reliable operations.

- Our guidelines and procedures for safeguarding our IT systems are based on the applicable international standard, ISO 27002. IT data centers are certified according to ISO 27001
- Central functions – Group Risk Management, IT Audit, Data Protection and Corporate Security – and divisional Chief Information Security Officer functions monitor and assess cyber risk on an ongoing basis
- Access to our systems and data only granted to employees to the extent required to perform their tasks
- Systems and data are backed up regularly, and critical data are replicated in the data centers. Regular software updates fix potential security vulnerabilities and protect system functionality



Corporate Internal Audit

Corporate Internal Audit takes a systematic and targeted approach when evaluating the effectiveness of our risk management system, control mechanisms, and management and monitoring processes, contributing to their improvement. In this way, the department supports the Group in achieving its internal objectives.

Measures

- Performing independent regular and ad hoc audits at all Group companies and at corporate headquarters with the authority of the Board of Management
- Develops a risk-based audit plan every year covering all divisions and functions, building on its own risk analyses to do so
- Findings will be discussed and measures for improvement will be agreed on with the audited organizational units and their management

The Board of Management and the Supervisory Board are regularly informed.

In 2020, 163 regular audits and about 90 follow-up audits were conducted on-site or remotely

Internal audit planning and execution



Corporate Taxes

As a good tax payer, with our tax contributions we enable the countries where we do business to reduce and eliminate poverty and to reduce inequality. Our worldwide tax expert network ensures compliance in a complex tax environment.

Our Guiding Principles

- Tax Strategy to be adhered to on world-wide basis
- Tax follows business needs
- We pay taxes where we do business
- We do not enter into aggressive or artificial tax structures
- Tax benefits used only where legally and morally acceptable
- We follow the letter and the spirit of prevailing taxation laws
- We pay our fair share of taxes
- We have a tax risk management framework in place
- We align with tax authorities and tax advisors to reduce risk

Our global tax expert network



2020 Taxes and Duties (€m)

Income taxes paid	754
Other operating taxes	306
Taxes on capital, property and vehicles	132
Employer contributions to social security	2,705
Total taxes and duties	3,765
Tax rate	23.9%

CORPORATE GOVERNANCE



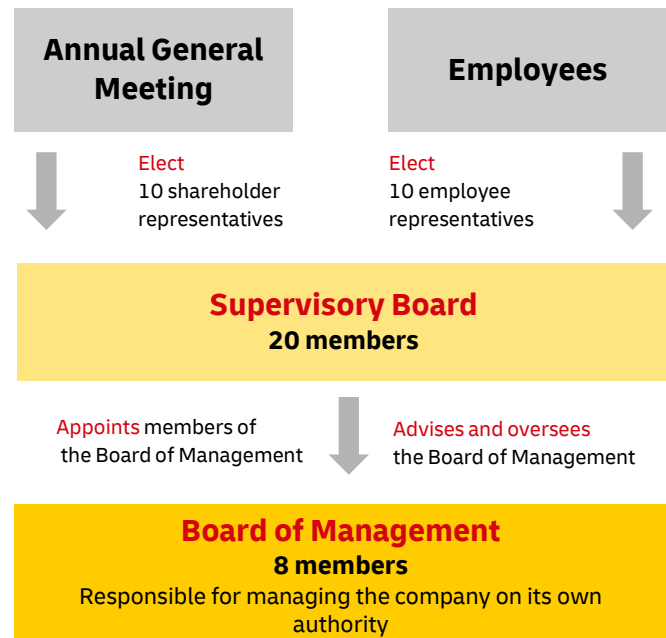
Two-Tier System

As a listed German public limited company, Deutsche Post AG has a two-tier board structure.

- The Board of Management is responsible for managing the company. It is appointed, overseen and advised by the Supervisory Board
- The Board of Management currently consists of eight members. Share of women 12.5%
- The Supervisory Board consists of 20 members: 10 shareholder representatives and 10 employee representatives. Share of women 35%

→ [2020 Annual Report](#)

The two-tier system



Supervisory Board – Targets and Committees

Targets for the composition and skills profile of the Supervisory Board

- Independence¹⁾ of at least 60% of shareholder representatives of the Supervisory Board
- At least 30% women
- International knowledge and experience either by origin, education or professional experience
- Provide competent advice on fundamental future issues, in particular digital transformation
- Sufficient expertise of accounting and financial statement audits, including international developments in accounting
- Age limit of 72 years at end of term of office
- In general not more than three full terms of office

1) As defined in C.6 of the German Corporate Governance Code

Committees of the Supervisory Board

Executive Committee

Chair:
Dr Nikolaus von Bomhard

Mediation Committee

Chair:
Dr Nikolaus von Bomhard

Finance & Audit Committee

Chair:
Dr Stefan Schulte

Nomination Committee

Chair:
Dr Nikolaus von Bomhard

Personnel Committee

Chair:
Andrea Kocsis

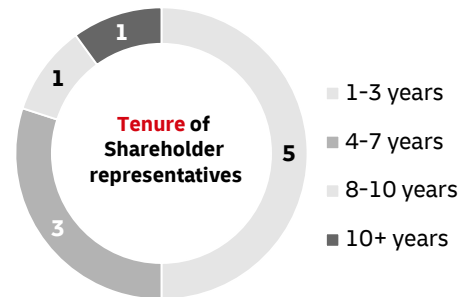
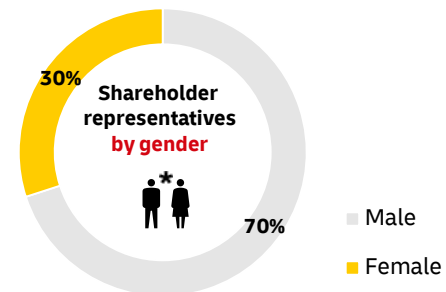
Strategy Committee

Chair:
Dr Nikolaus von Bomhard

Supervisory Board – Shareholder Representatives

Members of the Supervisory Board	Independence ¹⁾	Gender	Memberships		Executive Committee ²⁾	Finance & Audit Committee ²⁾	Personnel Committee ²⁾	Mediation Committee ²⁾	Nomination Committee ²⁾	Strategy Committee ²⁾
			Statutory Supervisory Board	Comparable Bodies						
Dr Nikolaus von Bomhard	●	M	1	1	C		x	C	C	C
Dr Günther Bräunig	●	M	2	0						X
Dr Mario Daberkow	●	M	0	6 ³⁾						
Ingrid Deltenre	●	F	0	4	X		X		X	
Dr Heinrich Hiesinger	●	M	3	0				X		X
Dr Jörg Kukies	●	M	1 ³⁾	1	X	X			X	
Simone Menne	●	F	2	2		X				
Lawrence Rosen	●	M	2 ³⁾	1						
Dr Stefan Schulte	●	M	0	6 ³⁾		C				
Prof Dr-Ing. Katja Windt	●	F	1	0						

1) Independence definition according to C.6 of the German Corporate Governance Code; 2) C = Chairman; 3) Group mandate



→ [Curriculum vitae](#)

→ [Full overview of members](#)

Supervisory Board – Major Topics and Attendance Rate in 2020

2020 Major topics discussed

- Ongoing business & market review
- Pandemic situation Covid-19
- Preparing of the change of auditor in 2023
- Adjustments to the remuneration system for the Corporate Board

2020 Meetings and attendance

- 6 Plenary meetings
- 25 Committee meetings
- Nearly 100% attendance rate

→ [2020 Report of Supervisory Board](#)



Members of the Board of Management

Chairman of the Board



Dr Frank Appel

- Member since Nov 2002
- CEO since Feb 2008
- Appointed until Oct 2022

Chief Financial Officer



Melanie Kreis

- Member since Oct 2014
- Appointed until June 2022

Human Ressources



Dr Thomas Ogilvie

- Member since Sep 2017
- Appointed until Aug 2025

Post & Parcel Germany



Dr Tobias Meyer

- Member since Apr 2019
- Appointed until Mar 2022

Express



John Pearson

- Member since Jan 2019
- Appointed until Dec 2026

Global Forwarding, Freight



Tim Scharwath

- Member since June 2017
- Appointed until May 2025

Supply Chain



Oscar de Bok

- Member since Oct 2019
- Appointed until Sep 2022

eCommerce Solutions



Ken Allen

- Member since Feb 2009
- Appointed until July 2022

➔ [Curriculum vitae](#)

Board of Management – 2020 Remuneration Range

Total compensation
(without fringe benefits and pension plan)

Variable compensation

■ Long-term component

■ Medium-term component (deferral)

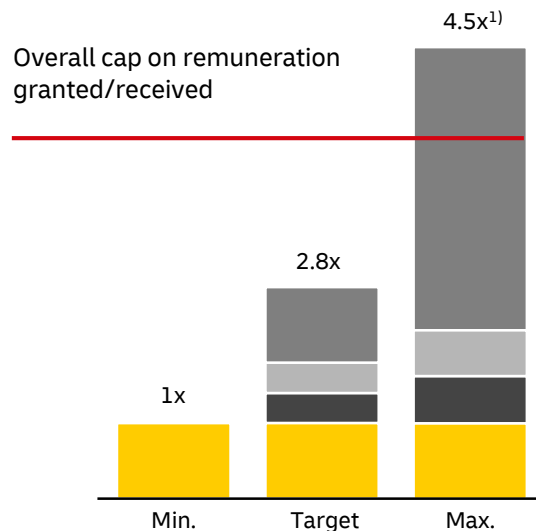
■ Annual bonus

→ [Page 79](#)

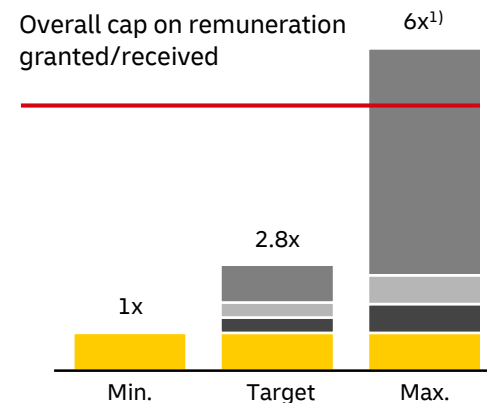
Fix annual compensation

■ Base salary

Chairman of the Board



Other Board members

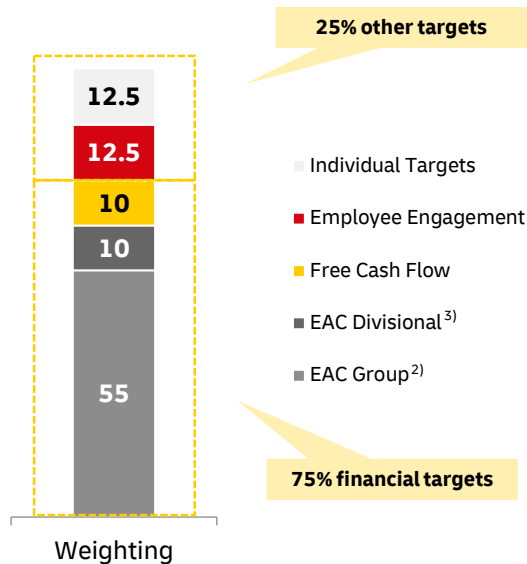


1) From 2022, annual bonus including medium-term component can be decreased or increased by up to 20% (bonus/malus option) in extraordinary circumstances. Maximum remuneration in case of increase is 4.7 (CEO)/ 6.2 (other Board members)

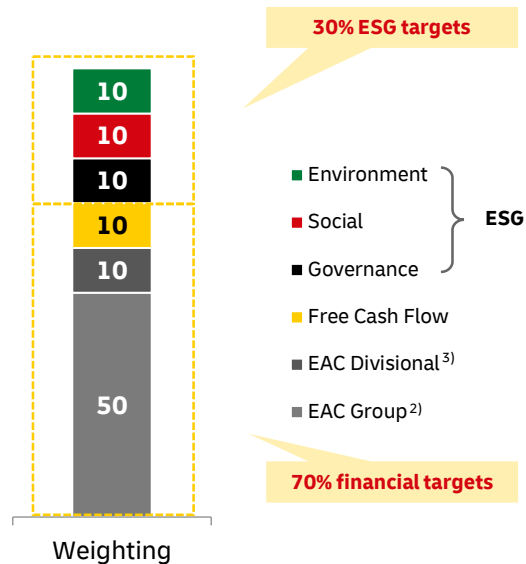
→ [2020 Remuneration Report](#)

Board of Management – 2022 remuneration includes 30% ESG criteria in annual bonus and deferral in accordance with our Strategy

Bonus 2020 & 2021



Bonus 2022¹⁾



Bonus payment schedule

(annual bonus and deferral)

- 50% paid after financial year if bonus criteria achieved
- 50% payout of achieved bonus deferred by additional 2 years*

*Medium-term component will only be paid out if EAC target is reached during the sustainability phase, i. e. at least the cost of capital was covered

1) Proposal to AGM May 6, 2021. 2) EBIT after asset charge (EAC) Group applicable to Dr Frank Appel, Melanie Kreis and Dr Thomas Ogilvie (weight 65%) 3) EBIT after asset charge (EAC) divisional applicable to Board members responsible for the divisions

Board of Management – Remuneration Long-Term Component

Cash remuneration linked to the company's share price performance

- Participation in Long-Term Incentive Plan (LTIP) requires personal investment of 10% of annual base salary
- Four-year vesting period
- Granted SARs can only be exercised if share-price based performance targets are met

1- Allocation of LTIP

100% of annual base salary on grant date

2- Exercisable Options

SAR performance targets	Thresholds	Number of exercisable SARs
Performance versus STOXX Europe 600	+10%	1/6
	+0%	1/6
Absolute increase in share price	+25%	1/6
	+20%	1/6
	+15%	1/6
	+10%	1/6

→ [2020 Remuneration Report](#)

Board of Management – Remuneration Caps

Total caps limit the maximum annual payout

- **Until 2020**
Remuneration granted in financial year capped to €8 million for CEO, €5 million for other Board members (excluding fringe benefits)
- **From 2021**
Remuneration granted in financial year capped to €8.15 million for CEO, €5.15 million for other Board members (including fringe benefits)
- **From 2022**
Additional cap on remuneration received in a single financial year in the amount of €8.15 million for CEO, €5.15 million for other Board member (including fringe benefits)

Overall cap on remuneration granted: Example 2020

Remuneration components included

- Long-Term Incentive Plan 2020 tranche
- Deferral from 2020 annual bonus
- Proportion of 2020 annual bonus for immediate payout
- Base salary 2020
- Pension expense (service cost) 2020

Overall cap on remuneration granted: Example 2021

Remuneration components included

- Long-Term Incentive Plan 2021 tranche
- Deferral from 2021 annual bonus
- Proportion of 2021 annual bonus for immediate payout
- Fringe benefits 2021
- Base salary 2021
- Pension expense (service cost) 2021

Overall cap on remuneration received: Example 2022

Remuneration components included

- Long-Term Incentive Plan 2016/2017/2018¹ tranches
- Deferral from 2020 annual bonus
- Proportion of 2022 annual bonus for immediate payout
- Fringe benefits 2022
- Base salary 2022
- Pension expense (service cost) 2022

1) The time the tranches are paid depends on when they are exercised within the two-year exercise period.

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WAY FORWARD

- Embrace the holistic definition of sustainability along ESG criteria
- Capture new opportunities to leverage our core business to contribute to the SDGs
- Launch ESG roadmap and shape our sustainability 2.0 agenda

**Launch date
March 22, 2021**



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Important information

With effect from financial year 2020, we have revised our non-financial reporting. Instead of publishing a separate sustainability report, the non-financial statement will be incorporated into the Annual Report (Group Management Report). In addition, all available ESG data will be consolidated in the ESG Statbook. The GRI and SASB content indices are also included. Unless otherwise stated, all information contained in this document relates to the period from January 1 to December 31, and applies to the entire Group as described in the consolidated financial statements.

Important publications

- [Reporting Hub 2020](#)
- [2020 Non-financial statement](#)
- [2020 Consolidated financial statements](#)
- [2020 List of shareholdings](#)
- [GRI Index and SASB Index](#)
- [2020 ESG Statbook](#)
- [2020 Annual Report](#)
- [Group website](#)
- [DPDHL Group guidelines and policies](#)
- [Sustainability Report archive](#)

External information

- [Global GHG Emissions Report](#)

Definitions

Gender-neutral language: The language used in this presentation aims to be gender-neutral. Words of any gender also refer to other genders.

Tank-to-wheel: All direct emissions from vehicle operation. Consumption is referred to here as final energy consumption.

Vehicle-to-grid: Concept for delivering electrical power from the drive batteries of electric and hybrid cars back to the public power grid. In contrast to electric-only cars, these vehicles are not only able to draw electrical energy from the grid but also feed it back in.

Contact → [Investor Relations Team](#)