

Financial Highlights:



Record EBIT of €8.0bn in 2021 - above guidance, driven by **structural B2C e-commerce** growth and **B2B recovery**



Closing most successful business year ever with **strong Q4 peak season performance**; Q4 Group EBIT of €2.2bn



Strong FCF in 2021 of €4.1bn driven by business growth and sustainable improvement in cash generation



Dividend increasing by 33% to €1.80/share and **€2bn share buyback program** announced

Deutsche Post DHL Group

Management Comments:

Both €8.0bn EBIT and €4.1 FCF exceeded the most recent guidance of >€7.7bn and >€3.6bn, respectively – despite it having been raised multiple times throughout the year.

As reflected in the newly-issued 2022 and 2024 guidance, DPDHL Group is confident to hold and grow earnings from this new level.

This confidence is also reflected in the proposal to significantly increase shareholder return through a 33% dividend increase and a record €2bn share buyback program.

The impact of the conflict in Eastern Europe on global GDP growth and the world's transportation markets is currently hard to assess and is being closely monitored by Deutsche Post DHL Group. Our direct exposure is very limited with revenue in the Ukraine, Russia and Belarus representing <1% of Group revenue.

Management Comments:

After the significant growth seen in 2020, B2C activities have maintained the new high levels of the previous year in the second half of 2021. Peak season volumes also stayed close to the record volumes reached during lock-downs in Q4 2020. This confirms that the acceleration triggered by the pandemic has led e-commerce onto a new, higher level.

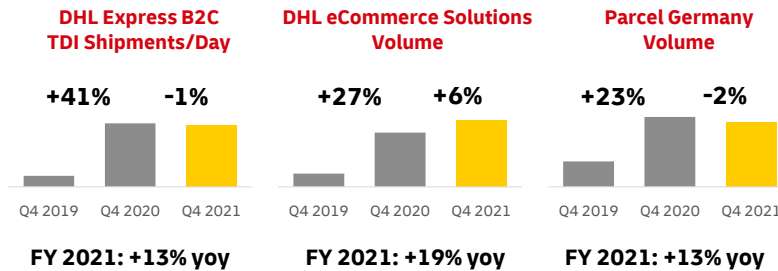
As part of our guidance assumptions, we expect e-commerce volumes to pick up their structural growth trend from this new, higher level, after the current normalization phase.



**B2C volume
confirming
higher market
levels after
strong growth
over last two
years**

Deutsche Post DHL
Group

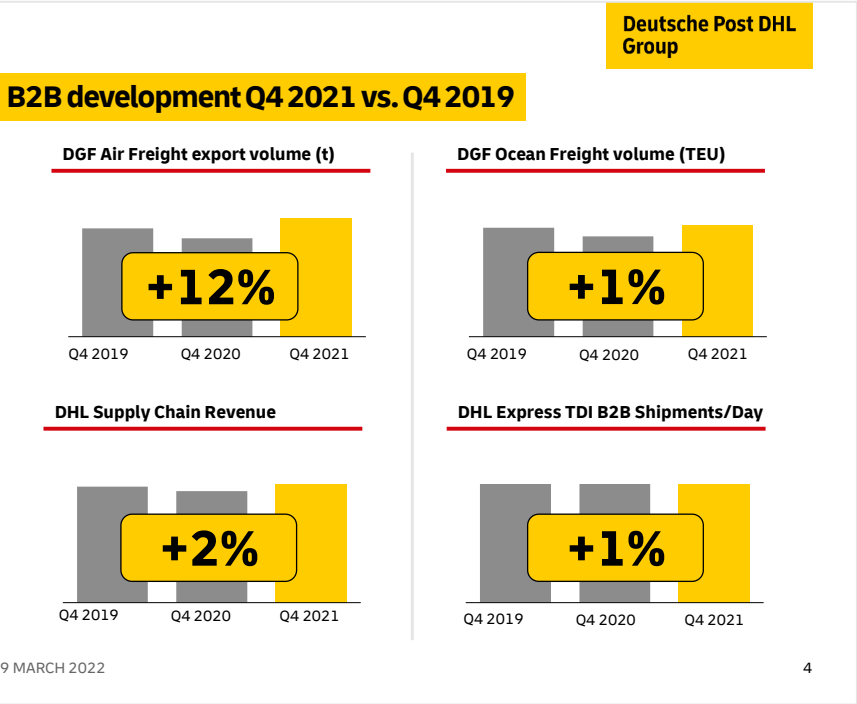
B2C development in 2021 peak season



Management Comments:

Global economic development has remained strong in Q4 2021. While two out of the four KPIs shown here were still below their pre-pandemic level in Q3 2021, all four indicators have now grown back to Q4 2019 levels, the comparable quarter before the pandemic. This confirms that the economic recovery is broad-based and continuing at a solid pace.

For DPDHL Group, the balanced exposure towards B2C and B2B end markets has been a strongly stabilizing factor during the very volatile pandemic period and is also supporting our confidence to hold and grow from the new, higher earnings levels as reflected in our 2022/24 guidance.



Management Comments:

Detailed group numbers show how the strong earnings performance in 2021 has been supported by all divisions.

During the year, the growth contribution has gradually shifted. B2C still saw very strong growth in the first half of the year while then holding the higher e-commerce activity levels in H2 2021.

Hence, growth in the second half of the year has been mostly driven by GDP-linked trade growth in B2B supply chains.



All divisions
contributing to
record strong
financials in
2021

Deutsche Post DHL Group

in €m	Q4 2021 Revenue	YoY	Q4 2021 EBIT	YoY	FY 2021 Revenue	YoY	FY 2021 EBIT	YoY
Group	23,378	22.4%	2,213	12.6%	81,747	22.5%	7,978	64.6%
Express	6,856	22.5%	1,111	6.8%	24,217	26.6%	4,220	53.4%
DGFF	7,134	63.4%	403	>100%	22,833	44.4%	1,303	>100%
DSC	3,655	4.4%	198	13.8%	13,864	10.5%	705	66.3%
DeCS	1,664	14.4%	93	24.0%	5,928	22.8%	417	>100%
P&P Germany	4,771	-0.6%	576	-14.5%	17,445	6.0%	1,747	9.7%

DGFF: DHL Global Forwarding, Freight. DSC: DHL Supply Chain. DeCS: DHL eCommerce Solutions, P&P Germany: Post & Parcel Germany

Management Comments:

Group EBIT of €8.0bn beat our most recent guidance of €>7.7bn and came in well ahead of the initial guidance of >€5.6bn. This reflects a strong performance through our focus on core logistics in our five divisions.

All divisions contributed to record strong financials in 2021.

DPDHL Group EBIT, FY 2021

€8bn, +65% yoy

In €m

Deutsche Post DHL Group

DHL Express	DHL Global Forwarding, Freight	DHL Supply Chain	DHL eCommerce Solutions	P&P Germany	Group Functions / Consolidation
4,220	1,303	705	417	1,747	-414
+53%	>100%	+66%	>100%	+10%	+38%
2020: €2,751m	2020: €592m	2020: €424m	2020: €158m	2020: €1,592m	2020: €-670m
High utilization and yield management drive sustainably higher profitability; EBIT margin improved to a sustainably higher level at 17.4%	High GP/unit and increasing internal efficiencies from Simplify program led to DGF EBIT/GP conversion of 35% in 2021; Freight EBIT at €126m. DGFF EBIT margin of 5.7%	EBIT growth driven by efficiencies from digitalization, growth in strategic products e.g. e-commerce and record new business wins. EBIT margin above 5% target	Strong B2C volumes due to structural e-commerce growth and yield management coupled with higher network utilization deliver sustainably higher profitability. Margin at new record level of 7.0%	Parcel volumes confirming higher market levels after strong 2020 growth. Slight Post recovery mainly driven by Dialogue Marketing volumes. Strong service quality delivered to customers in 2021 peak season	In line with expected full-year run rate. Includes €44m positive effect, mainly related to the group's minority stake in Global-e (Q2 2021). Last year included extraordinary expenses from StreetScooter refocusing
One-time corona bonus: €-37m (2020: €-33m)	One-time corona bonus: €-14m (2020: €-13m)	One-time corona bonus: €-47m (2020: €-52m)	One-time corona bonus: €-11m (2020: €-10m)	One-time corona bonus: €-52m (2020: €-51m)	One-time corona bonus: €-4m (2020: €-4m)

FY 2021 RESULTS | DEUTSCHE POST DHL GROUP | 9 MARCH 2022

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Management Comments:

The strong performance in Group EBIT has seamlessly translated into a significant increase in operating and free cash flow.

Free cash flow is indeed up strongly year over year, mainly reflecting EBIT growth. The increase in operating cash flow is lower than EBIT growth mainly due to higher taxes paid. Also taking into account our ongoing investment to support profitable business growth, FCF at €4.1bn is up by €1.6bn versus the previous record level set in 2020.

We expect this higher FCF generation level to be sustainable as reflected in our 2022/24 guidance.

Deutsche Post DHL
Group

EBIT to FCF in 2021

in €m

EBIT
7,978
yoy: +3,131

Q4 2021:
€ 2,213m
yoy: €+247m

**Operating
Cash Flow**
9,993
yoy: +2,294

Q4 2021:
€ 2,616m
yoy: €-302m

**Free
Cash Flow**
4,092
yoy: +1,557

Q4 2021:
€ 733m
yoy: €-342m

**Strong EBIT
increase
translating into
sustainably
higher FCF
generation**

Management Comments:

Our guidance assumptions are based on continued GDP growth, which supports our B2B end markets, as well as the return to structural B2C growth, following the current normalization phase

Nevertheless, the exact “post-pandemic” pattern and phasing of growth remain to be seen. Therefore, we could see deviations to both sides on all the base assumptions of our 2022 guidance, which we have also reflected in the 2022 guidance range of +/- 5% around the mid-point of €8.0bn Group EBIT.

The impact of the conflict in Eastern Europe on global GDP growth and the world’s transportation markets is currently hard to assess and is being closely monitored by Deutsche Post DHL Group. Our direct exposure is very limited with revenue in the Ukraine, Russia and Belarus representing <1% of Group revenue.

Base assumptions for our 2022 guidance

Deutsche Post DHL Group

GDP & Freight Market

Express B2B, DGFF, DSC

- GDP growth in line with long-term trend
- Gradual normalization in freight markets starting in H2 2022

B2C

Express B2C, DeCS, Parcel Germany

- Return to pre-COVID19 structural B2C growth over time, after current normalization phase

Trends & Structural Mix Shifts

P&P Germany

- Gradual return to historic growth rates in mail/parcel, after normalization phase in 2022
- Continued structural mix effects from mail to parcel shift

Inflation

- Constantly addressed through yield and contract management
- Strong focus on additional targeted measures across all divisions to counteract extreme trends

Note:

- The impact of the conflict in Eastern Europe on global GDP growth and the world’s transportation markets is currently hard to assess and is being closely monitored by Deutsche Post DHL Group

DGFF: DHL Global Forwarding, Freight. DSC: DHL Supply Chain. DeCS: DHL eCommerce Solutions, P&P Deutschland: Post & Paket Deutschland

FINANCIAL OUTLOOK

Introducing new 2022 and mid-term guidance

in € bn

EBIT	2022 Guidance		Mid-term Guidance
Group	8.0 +/- 5%	2024 Group EBIT	~8.5
DHL	7.0 +/- 4%	Free Cash Flow	~11
P&P Germany	1.5 +/- 10%	2022-2024 cumulative	
Group Functions	~-0.45	Gross Capex (excl. leases)	~12
Free Cash Flow	3.6 +/- 5%	2022-2024 cumulative	
Gross Capex (excl. leases)	~4.2		
Tax Rate	~29%		

Note:

- FCF guidance excludes Net M&A
- The impact of the conflict in Eastern Europe on global GDP growth and the world's transportation markets is currently hard to assess and is being closely monitored by Deutsche Post DHL Group

Management Comments:

As usual we are rolling forward our guidance, now providing a 2022 and 2024 outlook. After the significant increase in Group EBIT and FCF over the last two years, our guidance reflects our conviction to hold and grow earnings on the higher 2021 base going forward.

Note that we exclude M&A spending from our FCF guidance in order to provide an outlook on the expected operational free cash flow generation, not distracted by the fact that we recognize the potentially more volatile M&A spending in our reported FCF definition.

Our tax rate increase reflects the utilization of historic tax benefits as EBIT grows, in line with the tax rate normalization indicated at the CMD 2018. We expect capex spent to be € 300m higher than last year as we have seen stronger business growth than initially expected and we need to invest earlier to support expected further business growth.

Looking out to 2024, we expect GDP-based B2B and e-commerce-driven B2C to be the growth drivers of our business.



Deutsche Post DHL Group



Q4 showed **expected B2B growth** as a result of economic recovery and **B2C volumes plateauing** at new level



Based on our balanced footprint, we expect to grow from the higher 2021 base, as reflected in our **2024 guidance**



Sustained strong FCF basis for continued investments into growth, ESG and digitalization as well as for **attractive shareholder returns**

Management Comments:

We have seen a significant uplift in both earnings and cash flow generation over the last years.

This shows that our broad group structure has allowed us to successfully navigate through the very volatile ups and downs in our end markets during the pandemic.

Based on a combination of GDP-driven B2B growth and structural e-commerce growth, we also expect to grow from this higher base going forward as reflected in our 2024 guidance.

We had originally planned a full CMD with all divisional CEOs for March 9th, but decided to postpone this event out of respect for the Ukrainian people.

**Key
Highlights:**

**Strategy 2025 in
full execution**



Sustainably higher earnings and cash flow



Beneficiary of structural **e-commerce** growth



Digitalization driving performance across Group

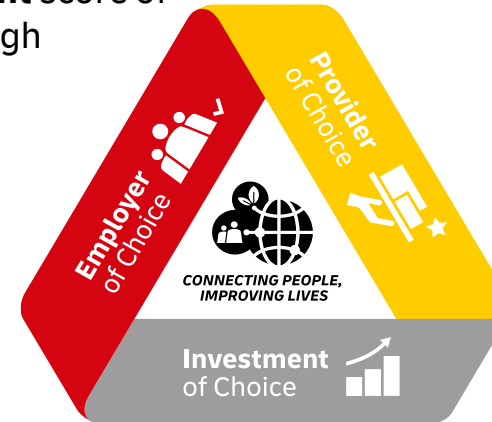


Strong commitment to our **ESG** roadmap

We have
reached a new
performance
level
and are
delivering
stronger than
ever

EMPLOYER OF CHOICE

- Number of **employees** increased to **590k** at year-end 2021 (+20k yoy; +40k vs 2019)
- Employee Opinion Survey (EOS) shows record **employee engagement** score of **84%** (vs 77% in 2019) with high participation rate of 75%



PROVIDER OF CHOICE

- Customer growth supported with continued high level of **service quality**
- Net Promoter Scores (NPS)** increased in all divisions vs pre-pandemic

SUSTAINABLE DEVELOPMENT

- >**700 kilotonnes CO₂e** decarbonization effects realized in 2021
- Share of **women in management** increased to **25.1%** in 2021 (+290 bps vs 2019), with increases in all divisions
- LTIFR*** improved to **3.9** (vs 4.2 in 2019)

* Lost Time Injury Frequency Rate

INVESTMENT OF CHOICE

- Record Group EBIT and FCF
- Dividend** proposal of **€1.80** per share
- New **€2bn** share buyback announced

**Significant
acceleration in
core structural
trends
during
COVID-19**



Globalization



E-Commerce



Digitalization

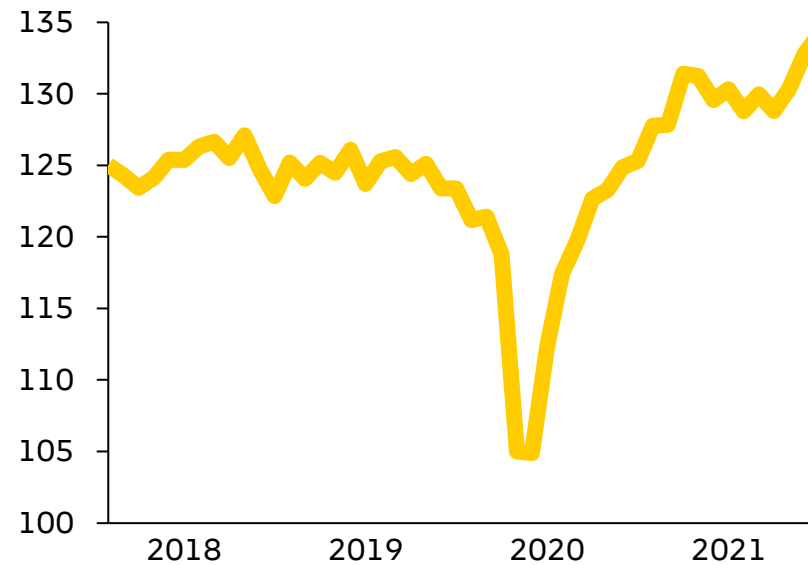


Sustainability

Globalization continues to be a sustainable growth driver for DPDHL Group

What we have seen:

Global merchandise trade volume rebounded to above pre-pandemic levels



Global Merchandise Trade Volume
January 2018 to December 2021; Indexed, 100 = 2010 level
Data source: CPB World Trade Monitor

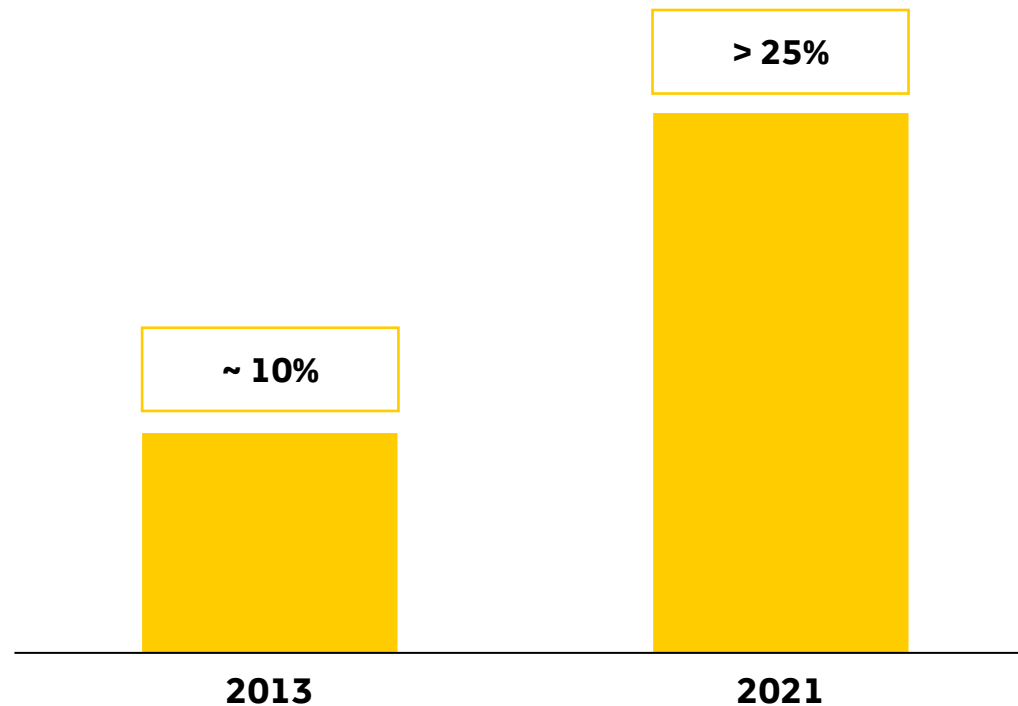
What we expect:

- > **Logistics** is at the core of any trade and GDP growth - no trade without logistics
- > Customers keen to make their supply chains more **resilient** and **digital**, but no significant nearshoring
- > **DPDHL Group** will remain key enabler of global trade

**Uniquely
positioned to
serve structural
e-commerce
growth across
all divisions**

through domestic delivery,
cross-border delivery and
e-fulfillment

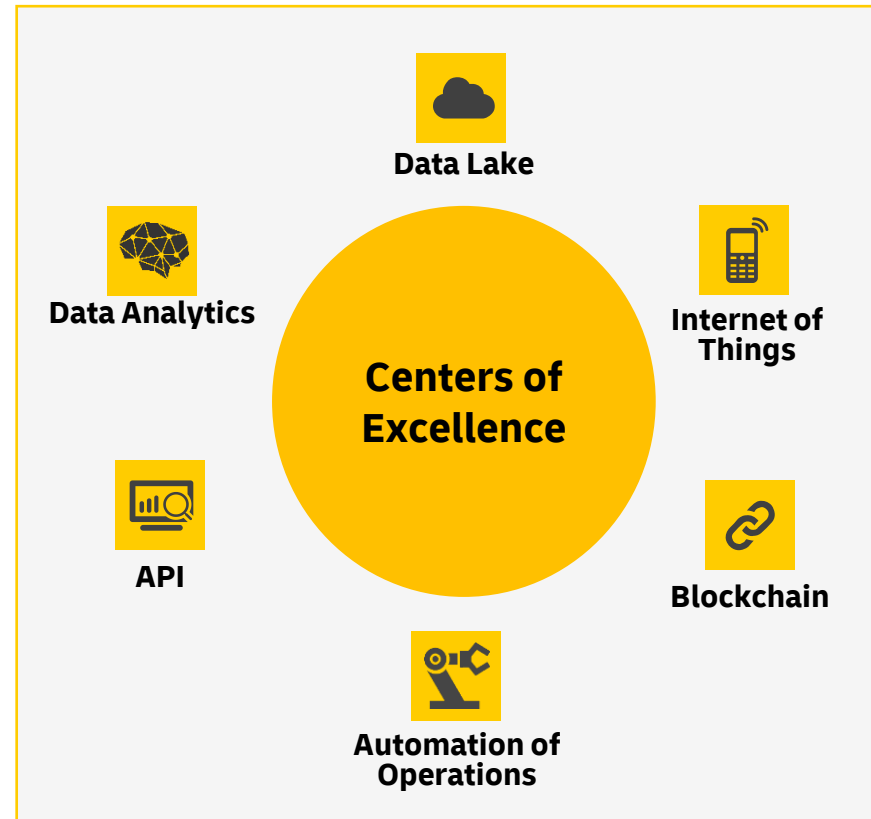
DPDHL Group,
E-commerce share of group revenue



What we expect:

- > Return to pre-pandemic e-commerce growth rates from elevated levels post COVID-19, after the current normalization phase

Accelerated Digitalization driving performance improvements in all divisions



Improved customer service

Track & Trace
Re-routing
Inventory Dashboard

Increased productivity

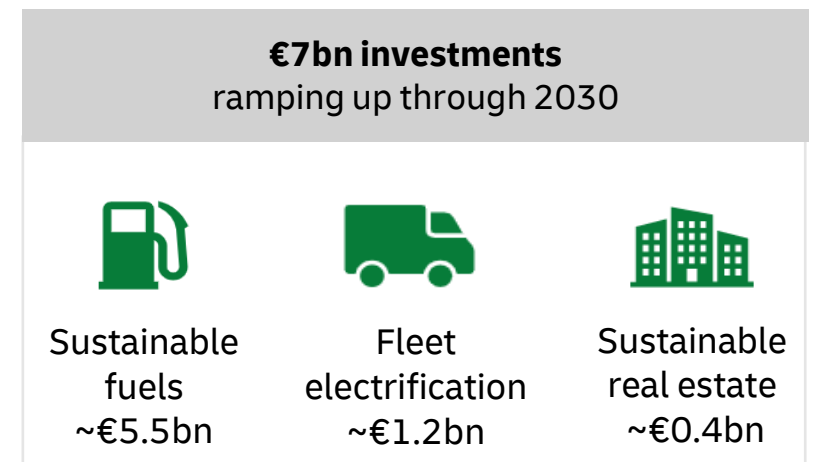
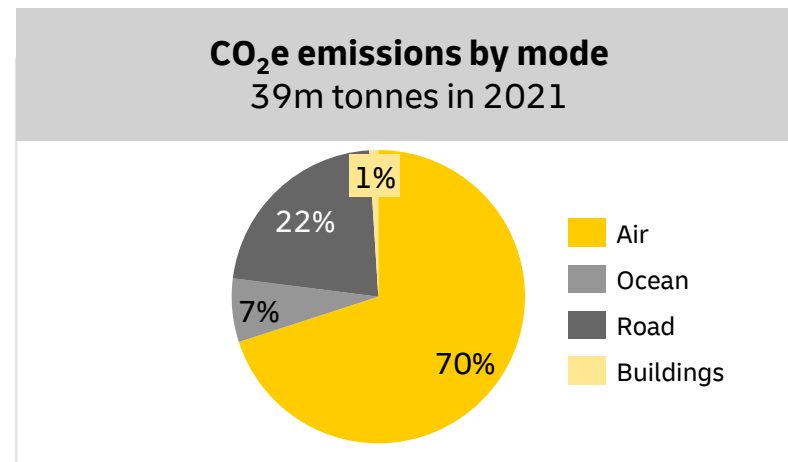
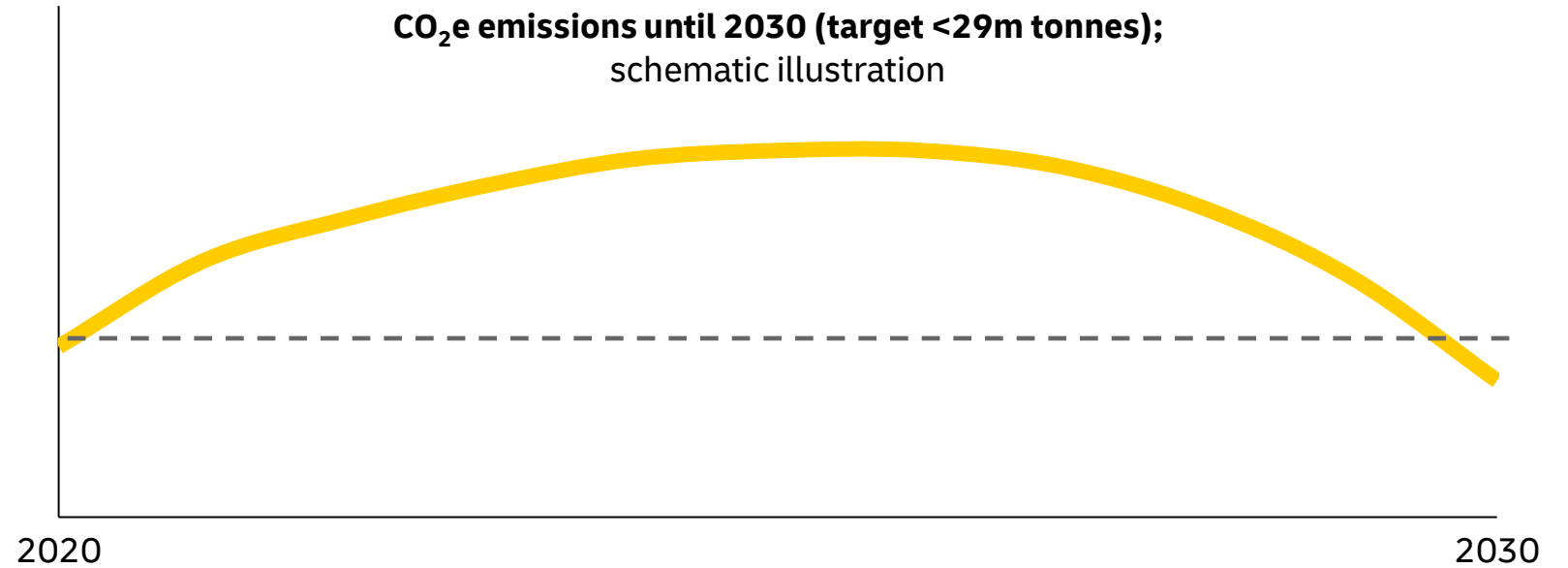
Optimized Routing
Digital Recruiting
Automation
Volume Forecasting

Accelerated growth

E-Fulfillment
Outsourcing
B2C & B2B E-Commerce

Clear roadmap to reduce CO₂e emissions to <29m tonnes in 2030

CO₂e emissions until 2030 (target <29m tonnes); schematic illustration

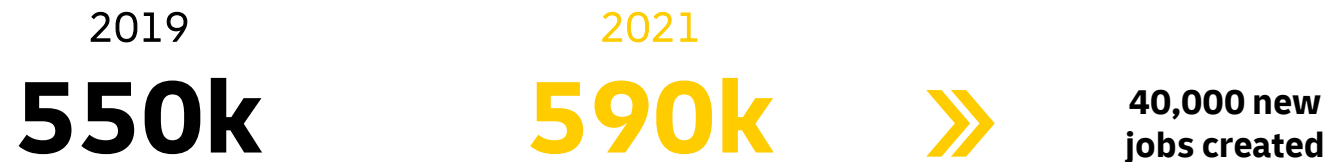




Great company
to work for all

Record number of employees and “Employee Engagement”

Number of employees (year-end)

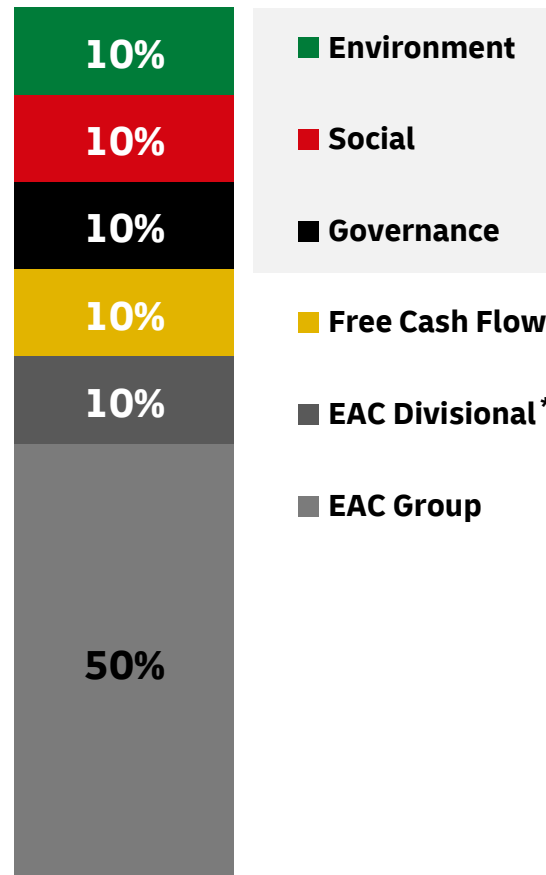


Employee engagement (Employee Opinion Survey)



Governance of ESG roadmap: Non-financial KPIs compulsory component of board annual bonus as of 2022

Criteria for Annual Variable Pay for Board of Management



E: CO₂e emissions

Realized decarbonization effects of 969 kilotonnes of CO₂e through targeted measures

S: Employee engagement

Group employee engagement approval level of more than 80% (Employee Opinion Survey)

G: Compliance

Share of valid training certificates to be at least 95% in middle and upper management

*) Divisional EAC: only applicable for Divisional CEOs



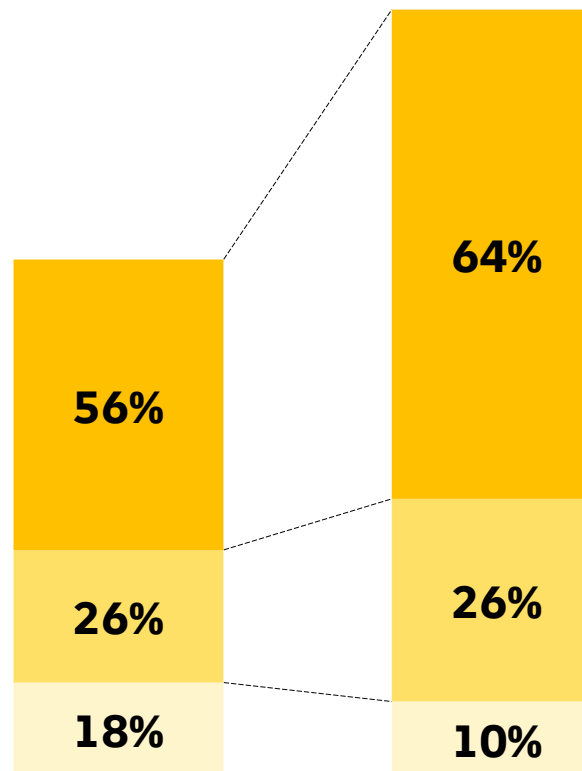
Strategy 2025 in full execution



DPDHL portfolio:
Beneficiary of structural e-commerce growth

Group Revenues	
2013 €55bn	2021 €82bn

% of Group Revenues*








GDP+ growth driven by structural e-commerce
 DHL Express
 DHL Supply Chain
 DHL eCommerce Solutions
 Parcel Germany**

Asset-light, cyclical driven by global trade (GDP)
 DHL Global Forwarding, Freight

German letter business

*excl. Consolidation/Group Functions
 **incl. P&P International

Diversified, resilient investment with e-commerce growth upside

 <p>DHL Express</p>	 <p>DHL Global Forwarding, Freight</p>	 <p>DHL Supply Chain</p>	 <p>DHL eCommerce Solutions</p>	 <p>Post & Parcel Germany</p>
<p>GDP+ growth driven by global trade and structural e-commerce growth</p>	<p>Normalization of freight rates expected in medium-term and included in guidance</p> <p>Efficiency gains through new TMS implementation</p>	<p>E-Fulfillment strongly increasing</p> <p>Increased supply chain complexity and need for flexibility drives outsourcing</p>	<p>Structural e-commerce growth</p> <p>Focus on parcel growth in selected countries</p>	<p>Accelerated mix shift between Mail and Parcel during COVID</p> <p>Focus on network optimization and productivity improvements</p>

Confident to continue to grow from new earnings level

despite freight rates normalization and mix shift challenges in P&P



DPDHL Group:
Resilience,
growth and
shareholder
value



Broad portfolio ensures resilience as reflected in guidance



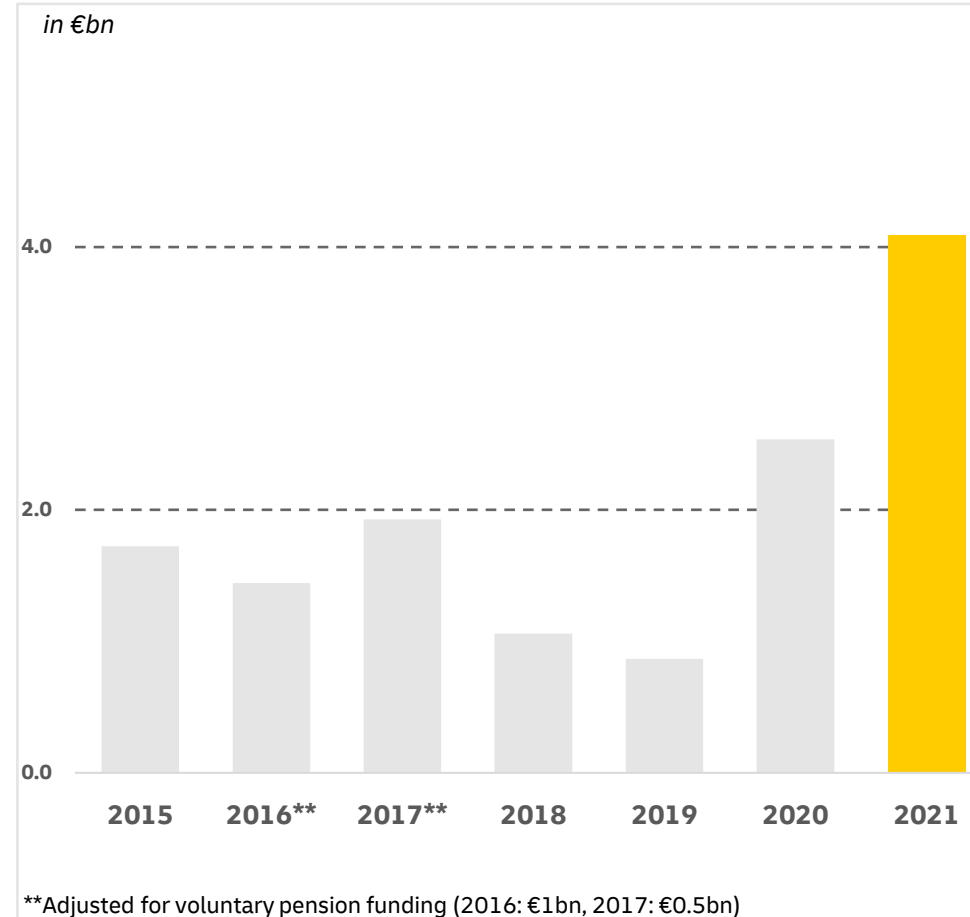
E-commerce exposure coupled with **attractive shareholder returns** and **strong balance sheet**



ESG leadership in the logistics sector, investing €7bn until 2030 into decarbonization

Significant step change in cash generation

FREE CASH FLOW



2022 Guidance*
€3.6bn
+/-5%

2022-24 Guidance*
~€11bn

Cash flow drivers:

- Strong operating performance
- Enhanced cash flow culture
- Process improvements through digitalization

*FCF excl. Net M&A

3 MAJOR USES OF CASH

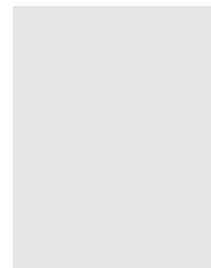
Investments into organic growth

Continued commitment to **shareholder return**

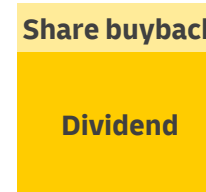
Value-accretive targeted **M&A**

Balanced
use of cash

Figures cumulative 2019-2021



Net Capex



Shareholder Return



Net M&A

€1.5bn for Hillebrand, expected in 2022



1 PRIORITY REMAINS PROFITABLE ORGANIC GROWTH

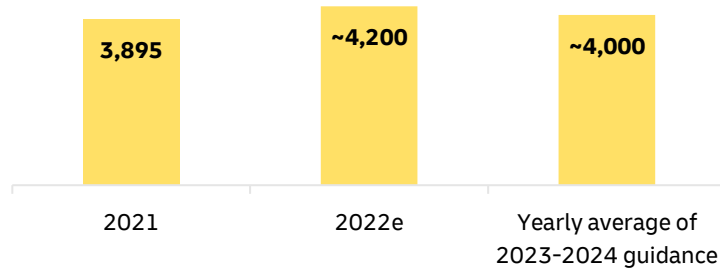
MID SINGLE-DIGIT
Expected Group revenue growth

Main drivers:

- **B2B** growth in line with GDP growth
- Structural **e-commerce** growth above GDP growth

2 CONTINUED INVESTMENT INTO PROFITABLE GROWTH

Capex, in €m



Capex includes:



Capacity expansion

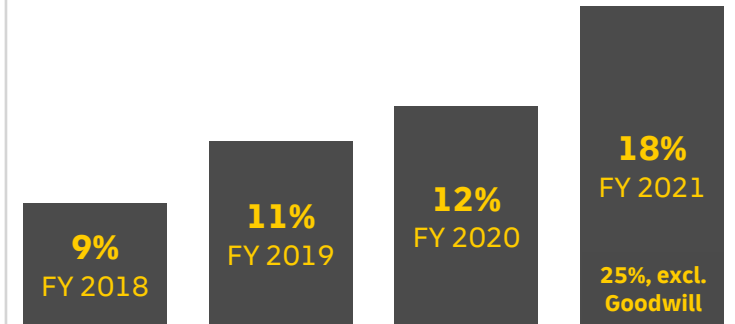


Digitalization initiatives



ESG Roadmap

3 GROUP ROCE* TRENDING FURTHER UP

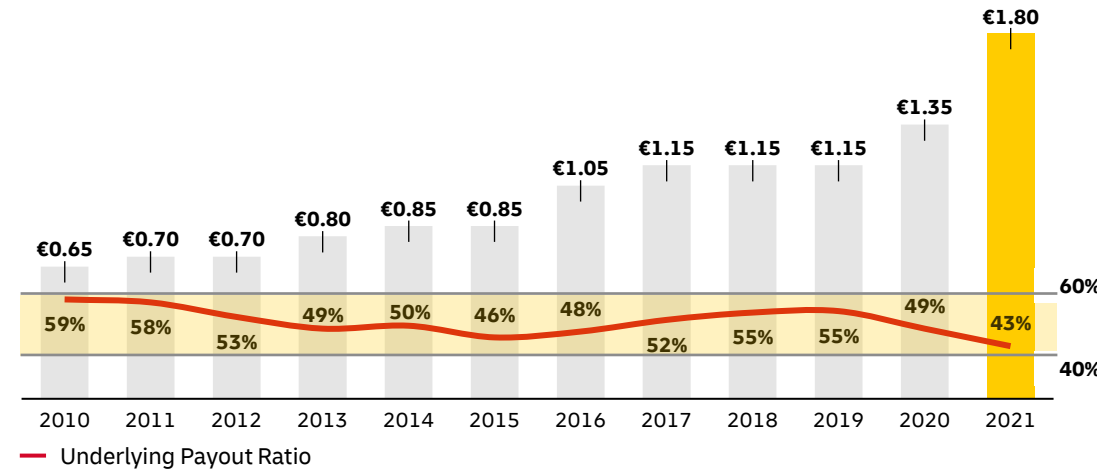


WACC: 8.5%

HIGHER RETURNS ON HIGHER ASSET BASE

**ROCE: Capital Employed includes capitalized leases, net pension liabilities and goodwill*

DIVIDEND



- Dividend pay-out: 40-60%**
 of adjusted net profit (cash flow and continuity considered)
- €1.80**
 DPS proposed for FY 2021
 43% pay-out ratio;
 Dividend payout of ~€2.2bn

SHARE BUYBACK



- €2bn**
 Third share buyback program announced to start in 2022

Continued commitment to **shareholder return**

M&A STRATEGY

BASED ON STRICT CRITERIA:

Value-accretive
targeted
M&A

■ STRATEGIC

High quality assets, with clear value-add for DPDHL Group's position in core logistics businesses

■ FINANCIAL

Accretive and highly disciplined approach as with capex (considering 8.5% WACC)

■ INTEGRATION

Manageable, straight-forward integration process

Financing structures expected to depend on the deal: larger amounts would combine strong cash generation and DPDHL Group balance sheet capacity, in accordance with rating target

EXAMPLE:  Hillebrand
FORWARDING PASSION

UPDATED FINANCE POLICY

Balanced use of cash



SHAREHOLDER RETURN

- **Ordinary dividend**
 40-60% pay-out from adjusted net profit (cash flow and continuity considered)

- **Share buyback policy**
 Use of excess FCF as available and appropriate, relevant M&A spending taken into consideration



ORGANIC GROWTH

Strategy 2025

- Focus on logistics core
 Re-invest into profitable growth of core logistics businesses

- Includes investments in digitalization and ESG roadmap



M&A

- **Value-accretive & targeted**
 Opportunistic M&A to supplement core logistics organic growth; subject to strict strategic, financial and integration criteria

- **Financing**
 Larger amounts to combine strong cash generation with balance sheet capacity, in accordance with rating target

RATING TARGET RANGE: BBB+ to A-

ON A NEW LEVEL



Resilient e-commerce driven GDP+ growth at **sustainably higher earnings level**



Significantly increased & sustainable **free cash flow generation**, supporting attractive shareholder return



Industry-leadership cemented by strong strategic focus on **digitalization and ESG**