



# INVESTOR PRESENTATION

DHL GROUP INVESTOR RELATIONS

DHL Group  
August 2025



# CONTENT



**DHL Group Highlights**



**Strategy 2030**



**Financial Backup**

## DIVISIONAL DEEP-DIVES:



**Express**



**Global  
Forwarding, Freight**



**Supply Chain**



**eCommerce**








**P&P Germany**

# DHL Group Equity Story

World's leading logistics portfolio with strong market positions



**GDP+ Growth**  
**>5% Revenue CAGR 2023-30e**

- **#1 Global TDI Express** 
- **#2 Airfreight** 
- **#2 Oceanfreight** 
- **#1 Contract Logistics** 
- **#1 Parcel Germany** 



**Strong Cashflow, Returns  
& Balance Sheet**

**~€3bn** FCF excl. Net M&A  
(FY2024)

**13.7%** ROIC (FY2024)

**A-**  
Fitch Rating

**A2**  
Moody's



**Attractive Shareholder Returns**

**>4%**

dividend  
yield\*

**up to €6bn**

2022-'26  
share buyback  
program



**Sustainable Investments**

**Frontrunner in  
low carbon logistics**





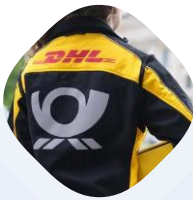
**Best green commercial  
offering in the industry**

**ESG targets integrated in  
management remuneration**

\*based on closing share price on April 29th, 2025

# GROUP OF STRONG DIVISIONS

Q2 2025 Group EBIT +6% yoy to €1,429m; H1 2025 Group EBIT €2,799m (yoy: +5%; +€137m)

				
<b>DHL Express</b> <b>€730m (+7%)</b>	<b>DHL Global Forwarding, Freight</b> <b>€196m (-30%)</b>	<b>DHL Supply Chain</b> <b>€348m (+24%)</b>	<b>DHL eCommerce</b> <b>€56m (-16%)</b>	<b>Post &amp; Parcel Germany</b> <b>€166m (+28%)</b>
TDI shipments/day -10%, reflecting stable B2B (-2%) and decline in B2C (-20%), <b>effectively addressed through cost actions and price discipline</b>	<b>Slower volume momentum at stable GP/unit</b> in highly volatile markets (AFR tonnes +1%, AFR GP/t -1%; OFR TEU -6%; OFR GP/TEU +2%)	<b>Resilient EBIT growth at continued strong 7% margin</b> excl. non-recurring effects, supported by sector focus and leading automation & robotics capabilities	<b>Structural e-commerce trend fully intact</b> , with large spreads in growth rates across countries – <b>network expansion ongoing</b> , but growth investments closely controlled	Structural mail to parcel shift ongoing; <b>parcel growth, regulated mail price increase and cost measures drive EBIT growth</b>
Cost of change: €-30m	Cost of change: €-19m	Net effect from M&A: €+54m	Cost of change: €-8m	

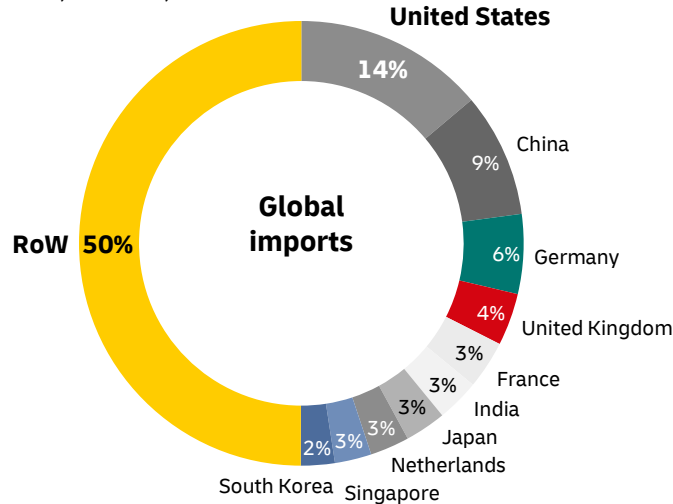
\* OFR volumes +0% yoy adjusted for discontinuation of low-yielding volumes with two larger customers

# GLOBAL TRADE IS HIGHLY DIVERSIFIED

DHL is well-positioned to support businesses in diversifying their global trade

## Global trade mix

By destination, FY2024, in %



Source: S&P Global, 2025

## Our observations on global trade







- **Trade remains global:** US tariffs impact the largest market, but it is only one of many destinations
- **Rest of World (RoW) trade continues**, though tempered by uncertainty; general “wait-and-see” sentiment, particularly in US, slows down investments
- **DHL is strongly positioned** to support customers with efficient, compliant international supply chain solutions even in a volatile environment:
  - Global reach across transportation modes & speeds
  - Digital, AI-supported customs solutions: Product Classification Tool and DHL MyGTS in EXP, DHL TradeConnect in DGFF
  - Broad tariff-compliant service portfolio: e.g. Free Trade Zones, Bonded Warehouses, Break-Bulk Solutions



# DHL VOLUME DEVELOPMENT

Highly volatile & slower, but overall resilient global trade flows across all modes

## Q2 2025 volume development, yoy

	EXP TDI SpD B2B	-2%
	AFR tonnes	+1%
	OFR TEU	-6% <sup>1</sup>
	EXP TDI SpD B2C	-20%
	eC B2C Europe	+11%
	Parcel Germany	+1% <sup>2</sup>

1) OFR volumes +0% yoy adjusted for discontinuation of low-yielding volumes with two larger customers

2) Like-for-like

## Our observations on market development

### B2B:

- Volume development very volatile across weeks and tradelanes throughout the quarter
- Eventually resulting in **slower volume momentum** in EXP B2B, AFR and OFR, but **no significant decline or modal shifts**
- Lower volume does not indicate widespread frontloading in Q2

### B2C:

- **Structural e-commerce trend fully intact**, but cautious consumer sentiment also showing in **momentarily slower growth rates** in Parcel Germany and some eCommerce markets
- **“De Minimis” from China/HK into US only market sub-segment with significant reduction in volumes**; impact on EXP B2C flows into US effectively managed as visible in EXP Q2 EBIT

# FIT FOR GROWTH: GROUP-WIDE COST PROGRAM

Confirmation of targeted cost savings with end of 2026 run rate of >€1bn

**Profitability Accelerators: Group-wide cost program “Fit for Growth” targeting cost savings with end of 2026 run rate of >€1bn**

**EXECUTION STARTED IN Q4 2024**

**EXAMPLES**

 <b>Aviation &amp; Air Freight</b>	<b>&gt;€400m</b>	<ul style="list-style-type: none"><li>▪ Partner airline optimization, e.g. early exit of Polar JV</li><li>▪ Fleet replacement, e.g. by 6 new B777 deliveries</li><li>▪ Structural network reset in Express (Europe and USA), e.g. network redesign, air-to-truck</li><li>▪ Air Freight handling footprint and productivity, mainly in USA</li></ul>
 <b>Ground Operations &amp; Warehouse</b>	<b>&gt;€500m</b>	<ul style="list-style-type: none"><li>▪ Optimization of Express ground operations (Europe and USA), e.g. delivery consolidation in low density areas, service partner adjustment</li><li>▪ Standardization, automation and robotics</li><li>▪ Linehaul efficiencies, e.g. IT steering, service partners</li><li>▪ P&amp;P sortation and delivery (A/B, joint delivery, Ready To Go)</li><li>▪ Workforce management, e.g. flexible labor models</li></ul>
 <b>Support Functions</b>	<b>&gt;€200m</b>	<ul style="list-style-type: none"><li>▪ Further rollout of DGF “Global Target Operating Model”</li><li>▪ Further build-out of shared service center structures</li><li>▪ AI in customer services</li><li>▪ Further digitalization across back-office processes</li><li>▪ Lean overhead and simplification e.g. control tower realignment, country clustering</li></ul>

Q4/FY 2024 RESULTS | DHL GROUP INVESTOR RELATIONS | 6 MARCH 2025

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## What it is

**Structural cost improvement:** sustainable reduction in cost base resp. avoidance of cost build-up

**Digitalization / change of processes:** more efficient execution driving higher productivity



## What it is not

**No cyclical cost flex,** e.g., capacity adjustments to volume fluctuations; part of usual business!

**No compromise on quality:** clear ambition as quality leader!

**No lower investment in structural growth opportunities:** unchanged commitment!



# DHL GROUP GUIDANCE: UNCHANGED

## FY 2025 target, in €bn

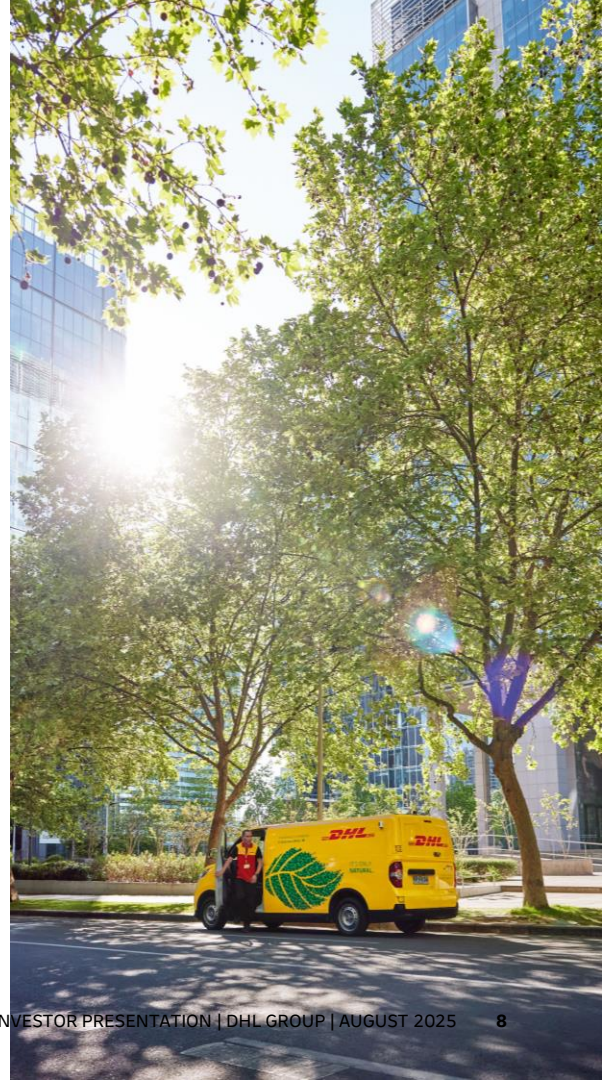
<b>≥ 6.0</b> Group EBIT			<b>~ 3.0</b> FCF excl. Net M&A	<b>3.0-3.3</b> Gross Capex excl. leases
<b>≥ 5.5</b> DHL	<b>~ 1.0</b> P&P Germany	<b>~-0.4</b> Group Functions	<b>28-30%</b> Tax Rate	

- Base assumption: continued muted macro environment
- This outlook does not cover a potential further escalation in tariff or trade policies as such changes could have substantial effects for DHL Group

## Mid-term, in €bn

<b>&gt; 7</b> Group EBIT			<b>≥ 3</b> FCF excl. Net M&A, p.a.	<b>≥ 3</b> Gross Capex excl. leases, p.a.
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- Post-2025 mid-term EBIT target assumes a market environment with market growth rates returning towards our trend expectations
- Confident to achieve structural earnings growth from 2025 onwards, whilst recognizing relevance of macroeconomic development on our industry, which will have an impact on timing of reaching mid-term target level

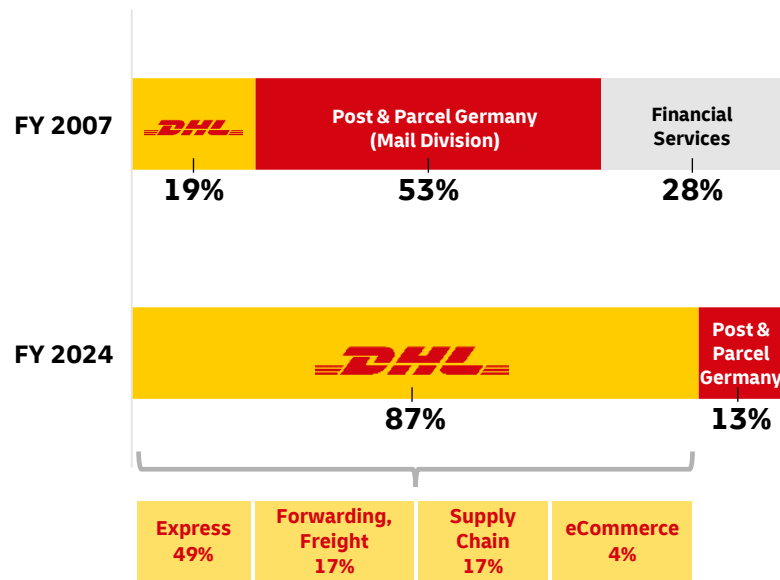




# GDP+ GROWTH PROFILE SUPPORTED BY STRUCTURAL LONG-TERM TRENDS

Transformation from German postal operator to global logistics market leader

Share of sum of divisional EBIT<sup>1</sup>



Globally diversified portfolio with GDP+ growth exposure

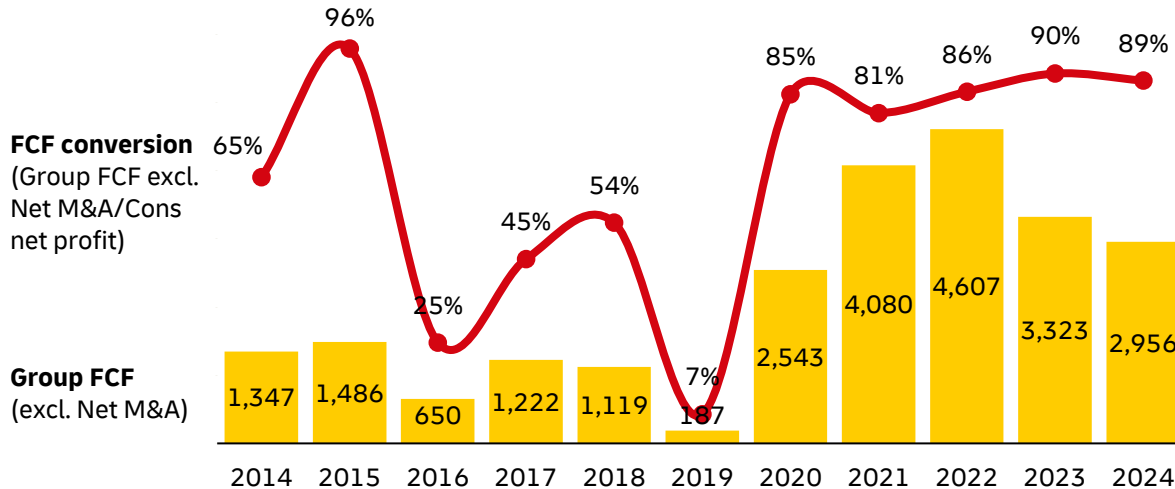
Share of sum of divisional revenue<sup>2</sup>



# FOCUS ON FREE CASH FLOW HAS PAID OFF

FCF conversion shows structurally improved translation of profit growth into cash flow

## FCF history, in €m



Relentless focus on improved FCF generation resulted in a cultural change across the Group as basis for structurally higher cash generation

New level enables balance between continued targeted growth investments and attractive shareholder returns, in line with Finance Strategy

# DISCIPLINED CAPITAL ALLOCATION SET OUT IN FINANCE STRATEGY

Stronger focus on increasing ROIC introduced with Strategy 2030

Business growth



Shareholder return



Core

## ORGANIC GROWTH

### Boosted by Strategy 2030

- Targeted investments into logistics core with strong focus on trade flow shifts, GoGreen Plus, e-commerce and further fast-growing sectors
- Focus on efficient capital allocation to support consistent Return on Invested Capital increase

Ongoing  
balance

## INORGANIC GROWTH

### Value-accretive & targeted

- M&A to supplement organic growth; subject to strategic, financial & integration criteria

### Financing

- Combine strong cash generation with balance sheet strength if needed, in accordance with rating target range

## REGULAR DIVIDEND

### Core shareholder return instrument

- 40-60% dividend pay-out ratio from adjusted net profit
- Reliable, proven dividend continuity

## SHARE BUY-BACK POLICY

### Additional measure to offer attractive shareholder returns

- Use Free Cash Flow and balance sheet strength as appropriate, relevant M&A spending taken into consideration

Rating target range: BBB+ to A-

# DELIVERING ON PRIORITIES OF OUR FINANCE STRATEGY

Ongoing strong cash flow generation allows us to deliver on all key priorities of our Finance Strategy



## OCF

**€3.9bn**

### H1 Operating Cash Flow

EBIT growth fully translated into OCF growth, incl. positive yoy WC development



## Capex

**€2.8bn**

### H1 Net cash for Capex & Leases

Strong capex discipline, with continued targeted growth investments



## Dividend

**€2.1bn**

### 2025 Dividend payment

Stable dividend confirms strong commitment to dividend continuity



## Share Buyback

**€0.9bn**

### Executed in H1

Part of accelerated and expanded €6bn program; up to €2bn remaining until end of 2026



## M&A

**€0.3bn**

### H1 Net cash for M&A

Focused on LS&HC and e-commerce, in line with Strategy 2030 priorities

# WE CONTINUE TO INVEST IN GDP+ GROWTH MARKETS AND SECTORS

Targeted organic investments to expand capabilities in strategic sectors and high-growth regions

Examples



## Life Sciences & Healthcare

**Continued investment in next-generation LS&HC logistics**

- Further DSC expansion & automation, e.g. Dublin (Ireland), Florstadt (Germany), Livraga (Italy)
- New Medical Express routes



## New Energy

**Circular Economy Partnership with Fortum Battery Recycling**

- Full-service logistics for safe & sustainable EV battery recycling
- Supports Europe's closed-loop approach for critical raw materials



## Geographic Tailwinds

**€500m investment in Middle East by 2030**

- Strengthens infrastructure across all 4 DHL divisions
- Focus on energy, e-commerce, life science & healthcare as well as digital innovation



## E-Commerce

**Continued investments into capacity, lockers and automation**

- Investments in Regional and City Hubs, digital touchpoints and parcel lockers, e.g. NL, Poland, Czech Republic
- DHL Fulfillment Network now available in >80 sites across 40 countries



## Digital Sales

**Innovation, at scale - Expanded partnership with Boston Dynamics**

- Global deployment of >1,000 additional 'Stretch' robots
- Shaping and directing robotics development alongside key partners

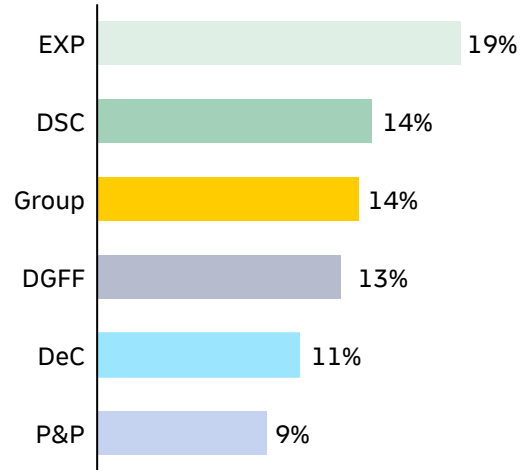


# HIGHEST ROIC IN ASSET INTENSIVE EXPRESS

Good to strong ROIC across divisions with Express leading the way on reported basis

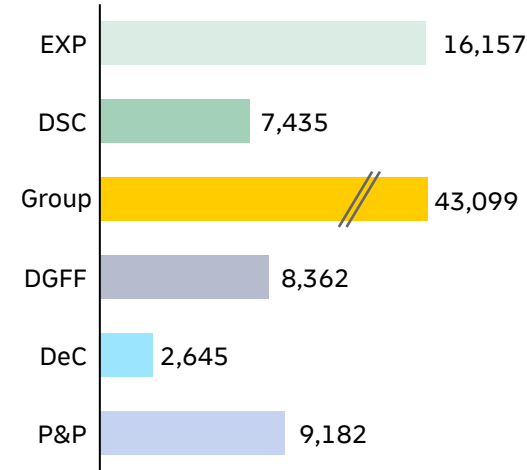
## ROIC

FY 2024



## Invested Capital

in €m, monthly average 2024



# M&A ANNOUNCEMENTS IN H1 2025

Targeted, complementary inorganic growth; executing on Strategy 2030

## Scalable Capabilities

E-Commerce



Life Sciences  
& Healthcare



## Geographic Reach

Expansion



Market Position



## General criteria

- Strategic value-add to group capabilities and customer offering
- Accretive to earnings
- Manageable, straight-forward integration process

## Strategic opportunities with divisional focus in SC, eC and DGF

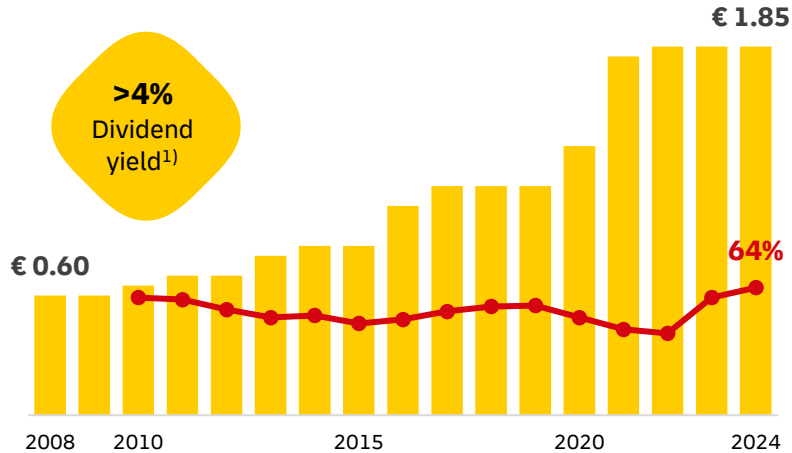
- Fast growing sectors with advanced logistics requirements
- Regions benefitting from supply chain diversification
- E-commerce capabilities

# ATTRACTIVE SHAREHOLDER RETURNS

Delivering on dividend continuity commitment and leveraging our strong balance sheet to increase and accelerate SBB

## Dividend track record

Dividend per share

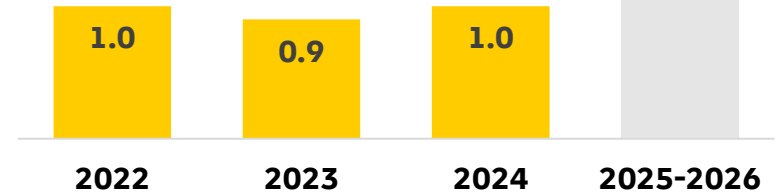


## Current SBB program: up to €6bn until end of 2026

2016/2017  
€1 bn program

2021  
€1 bn program

Raised by  
€2 bn and  
extended to  
2026



1) based on closing share price on March 31, 2025






# CONTENT



## DIVISIONAL DEEP-DIVES:



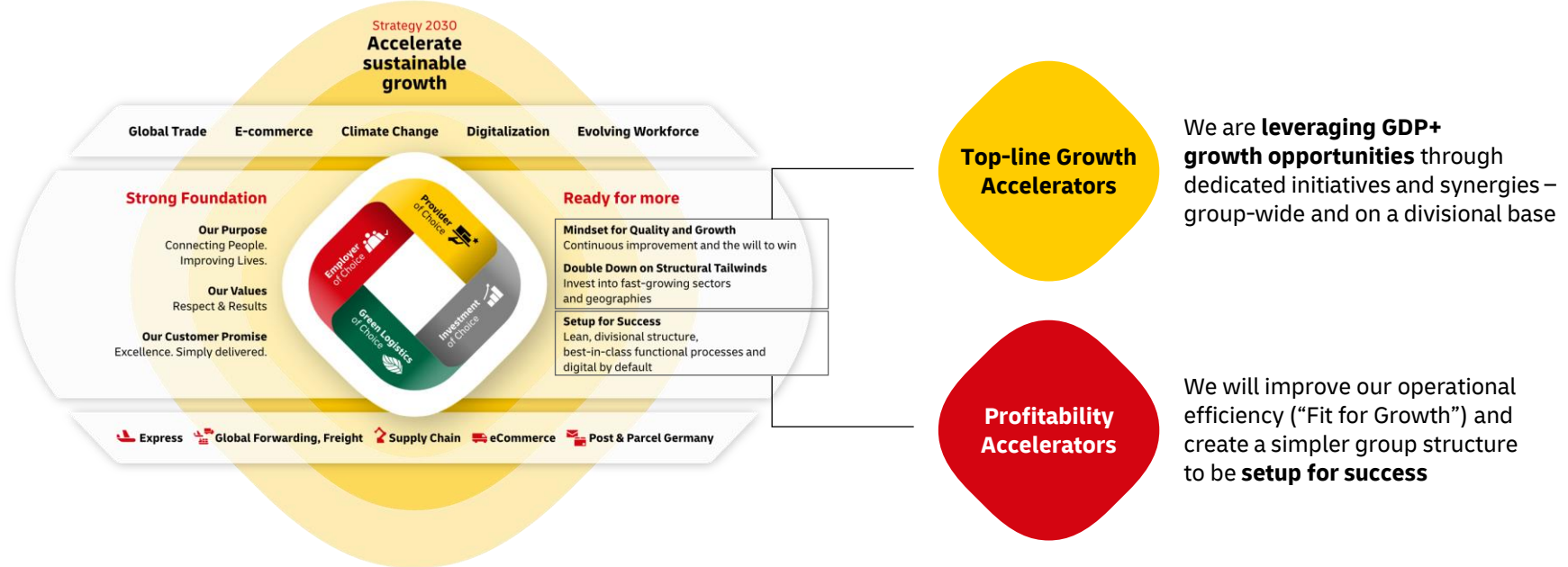
# LEADING GLOBAL LOGISTICS PORTFOLIO

					
	<b>DHL Group</b>	<b>DHL Express</b>	<b>DHL Global Forwarding, Freight</b>	<b>DHL eCommerce</b>	<b>Post &amp; Parcel Germany</b>
<b>EBIT 2024 (% Σdivisions)</b>	€3,084m (49%)	€1,074m (17%)	€1,068m (17%)	€281m (4%)	€821m (13%)
<b>Asset intensity</b>	Asset heavy	Asset light	Predom. asset light	Predom. asset heavy	Asset heavy
<b>Market position</b>	No. 1 x-border express	No. 2 in Air and Ocean	Nr. 1	Depends on country	No. 1
<b>Business drivers</b>	Global trade and structural e-commerce	Global trade	Outsourcing trend, e-commerce	E-commerce	Transformation from Letters to e-commerce
<b>ROIC excl. GW</b>	25%	40%	20%	13%	10%
<b>Core offering</b>	Transport of urgent goods and documents, primarily as time definite international shipments (TDI)	Brokerage of air and ocean freight capacity incl. customs, port handling, PuD and and overland freight	Tailor-made logistics services and supply chain solutions based on globally standardized modules	Domestic parcel services outside Germany and deferred x-border	Parcel and letter delivery in Germany
<b>Main peers</b>	UPS, FDx	K+N, DSV	GXO, Ceva, UPS, K+N	National incumbents	Hermes, DPD, GLS
<b>Number of Customers</b>	~3,000,000	250,000+	>1,500 Large accounts	Several millions	Several millions



# EXECUTING OUR GROWTH STRATEGY

Main levers for achieving our strategic goals are the same for the Group and for all divisions:  
We focus on where and how we can accelerate our growth and improve our profitability



# DIGITALIZATION

Example Digital Sales: Enabler for sales efficiency and growth with focus on SME segment

EXAMPLE

## Digitalization

- **Process Automation and AI:**  
Utilize data analytics and AI tools across entire logistic value chain
- Deploy specific **agentic AI** in large impact areas:
  - Customs
  - Customer Service
  - HR / Hiring process
- **Automation and Robotics:**  
embed automation into our standard operations
- **Divisional IT Architecture / roadmaps:**  
enhance profitable logistics core in all divisions
- **Cyber Security:**  
Keep focus on resilience across IT, Operations and data

## The Group Digital Sales program...

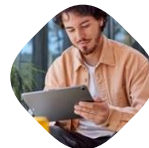
...strives to achieve **significant digital revenue impact** by enabling seamless online sales across the group

...aims to **attract and convert SME customers** while also meeting needs of DHLs entire customer base



### Direct shipment bookings

Customers directly book and pay a shipment online



### New contracts with customer-individual rates

New customers are digitally found, acquired and onboarded



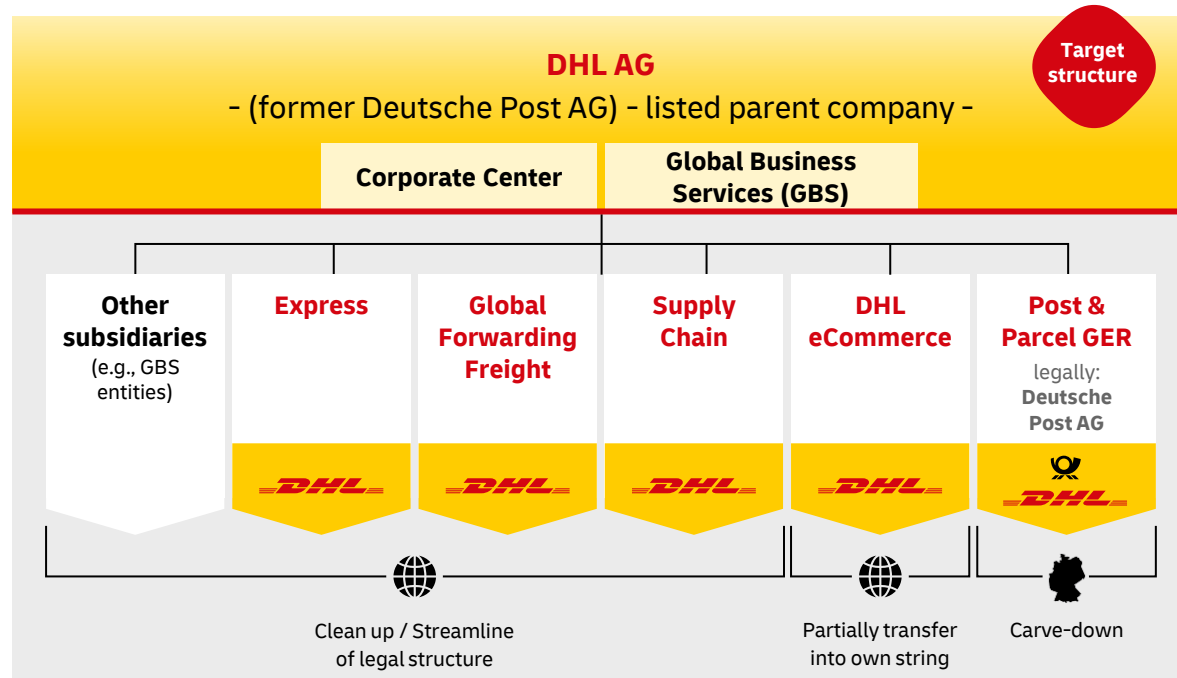
**Best practices within DHL Group, e.g. P&P Germany, are to be made usable for other divisions**

**2030 ASPIRATION**  
**Leverage all growth potential of Digital Sales across DHL Group**

# ALIGNMENT OF LEGAL GROUP STRUCTURE

Objective of the modernization is to align legal structure with existing management structure

ILLUSTRATIVE



One of the largest company transition measures in Germany with more than 175,000 employees to be transferred DHL eCommerce employees and the P&P segment will be transferred from the listed parent company **into independent Group entities**



Structural project is well on track: We continue to plan for confirmation at the **2026 Annual General Meeting**

In new structure, full **allocation of Group Functions costs** into divisions

# DHL GROUP ESG MEASURES

## Decarbonization measures

Measures	2024 Results	2030 Targets
Realized Decarbonization Effects	1,584 metric kilotons of CO <sub>2</sub> e (2025 Target: 2,000 metric kilotons of CO <sub>2</sub> e)	Reduce GHG emissions to <29m metric tons of CO <sub>2</sub> e
Increase use of sustainable fuels in air, ocean & road freight	Share of sustainable fuels amounts to 3.0%	>30% share of sustainable fuels in air, ocean and road freight
Increase electrification of the fleets in pick-up & delivery	~ 39,100 e-vehicles used in pick-ups and deliveries (41.4%)	Ambition 2030: 66 % e-vehicles used in pick-ups and deliveries
Climate-neutral building design		All our own new buildings are climate neutral

## Employee matters

Measure	2024 Results	2025 Targets	2030 Targets
Employee Engagement	82%	≥80%	≥80%
Share of women in middle and upper-management	28.4%	≥30%	≥34%
Accident rate (LTIFR) per 1m working hours	14.5	≤15.5	≤10.8

## Corporate governance

Measure	2024 Results	2025 Targets
Valid certifications of compliance relevant trainings in middle- and upper-level management	99.1%	≥98%
Cybersecurity rating	750 points	≥710 points of 820 achievable points

# DHL CSI (CUSTOMER SOLUTIONS & INNOVATION)

Providing #OneDHL to the market drives value as many customers require multiple logistics services

Percentage of  
customers  
buying from  
2+ divisions

**~98%**

**Tier 1**

(Top 100 customers)

Share of total  
revenue  
represented  
by customer  
group

**~18%**

of Group  
revenue

**~79%**

**Tier 2**

**~42%**

of DHL Group  
revenue





# CONTENT



## DIVISIONAL DEEP-DIVES:





Financial Outlook 2030

# DHL EXPRESS

## Market growth assumptions (2024-2030)

- ↑ TDI shipment growth: 4-5%

## Expected growth vs. market (2024-2030)

- ➔ **Above**

Driven by best service quality, successful business strategy (pricing, commercial,...) and geographic footprint

## Capex Outlook

- Investments of ~€1 bn p.a. mainly for replacements and moderate increase in capacity
- **Further expansion subject to shipment growth** using proven aviation Capex flexibility

## EBIT Outlook

- **EBIT growth ahead of volume growth**, driven by established yield management, positive capacity management and continuous efficiency improvements
- **Return of EBIT margin to mid-teens**

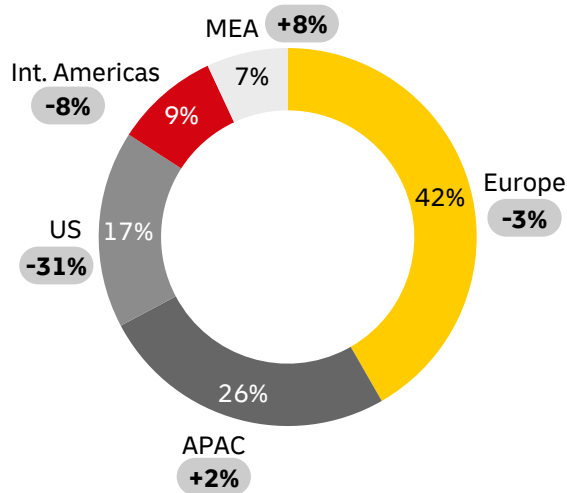
# Q2 2025: EXPRESS

Successful focus: right volumes, at the right price – served by highest quality, flexible & cost-efficient network

## DHL Express Time Definite International

By destination, Billed Weight Q2 2025

Q2 yoy



## Key Q2 actions

- ✓ **Reduction in air capacity and related costs: -7.0%**  
capacity reduction yoy in Q2 including -7.3% reduction in block hours
- ✓ **Annual General Rate Increase (GRI)** implemented as usual at the start of year, driving sticky positive contribution from net price change (NPC): like-for-like Revenue/kg +4%



**Demand Surcharge** for peak season 2025  
in preparation

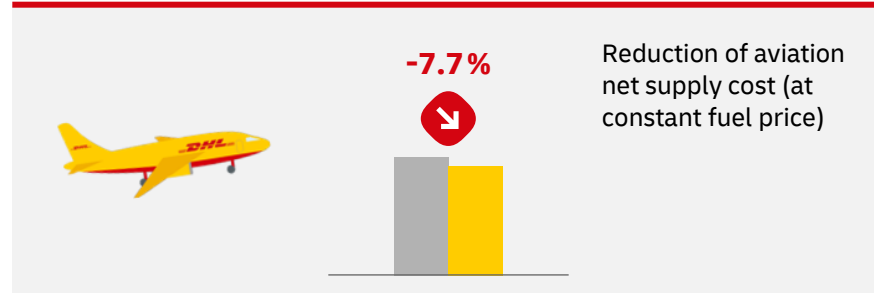
# FIT FOR GROWTH COMPLEMENTS EFFECTIVE CAPACITY MANAGEMENT

**DHL EXPRESS, Q2 2025 YOY**

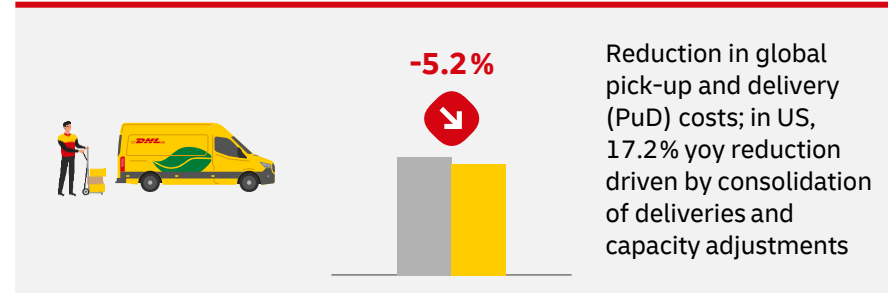
Impact of lower volume effectively managed through cost actions

**Examples**

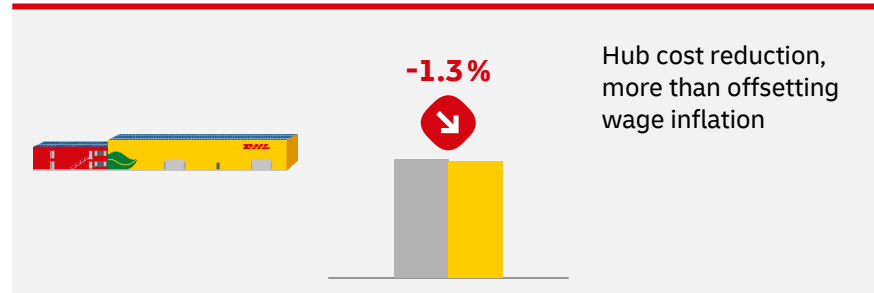
## Aviation cost



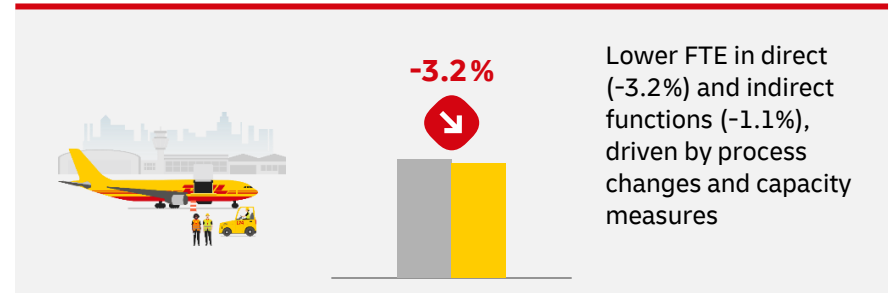
## PuD cost



## Hub cost



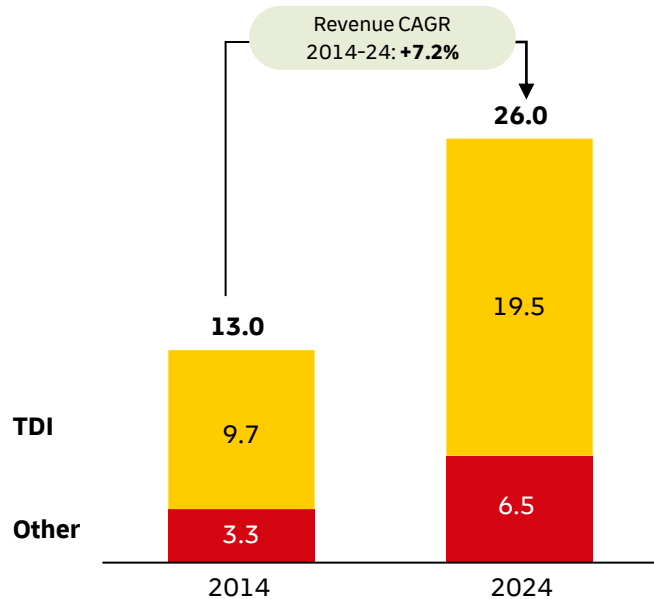
## Direct FTE



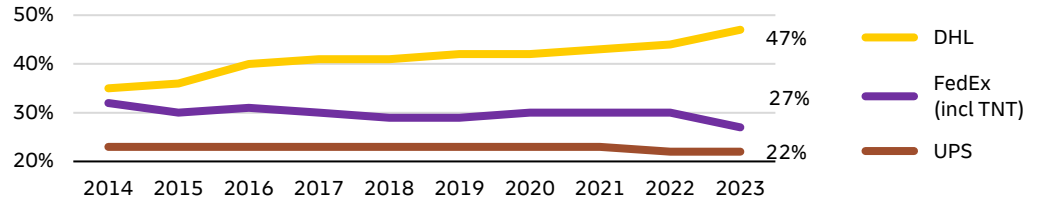
# TDI RETROSPECTIVE SHOWS VERY STRONG TRACK RECORD

Global market leadership through focus on people and quality

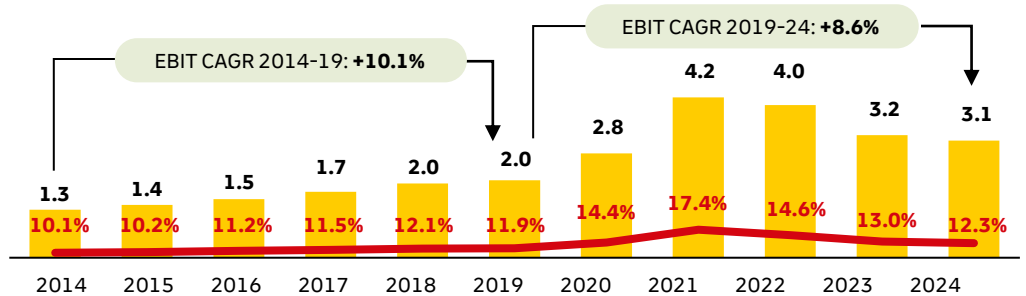
## Revenue by product (in €bn)



## Global TDI revenue market share evolution<sup>1)</sup>



## EBIT (in €bn) & EBIT margin (in %)

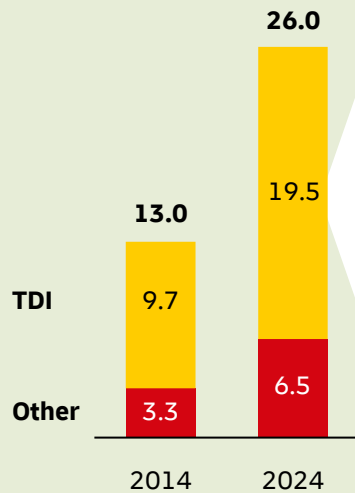


# TDI CORE BUSINESS WELL DIVERSIFIED

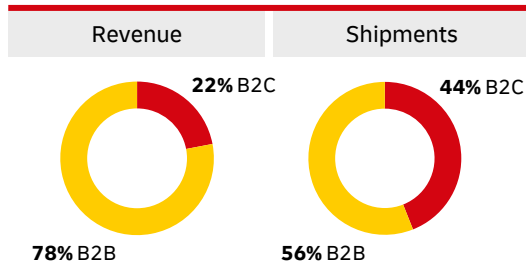
A balanced portfolio across geographies, sectors and customer sizes safeguards against market volatility

## Revenue by product

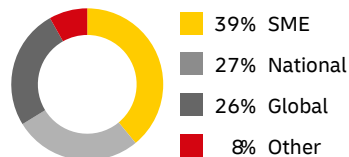
in €bn



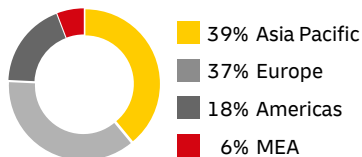
## B2B vs B2C



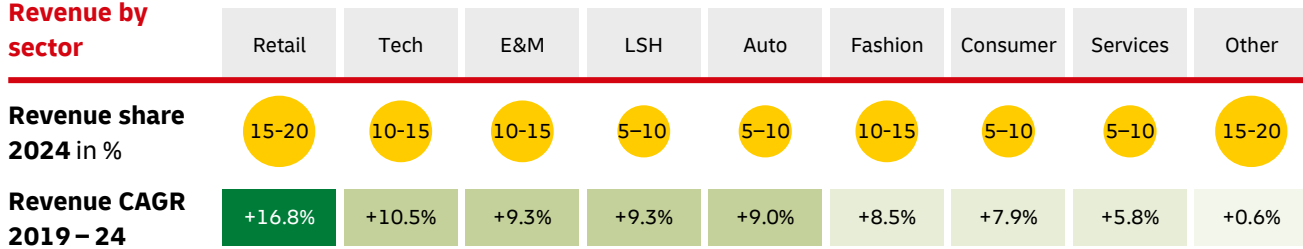
## Revenue by customer size



## Revenue by region



## Revenue by sector

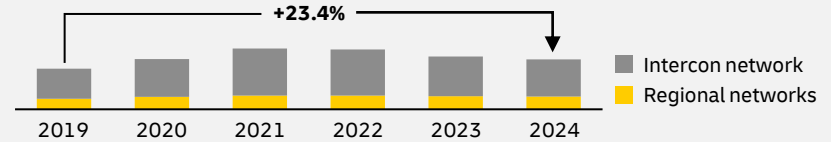


# STRENGTHENED BY FLEXIBLE NETWORK

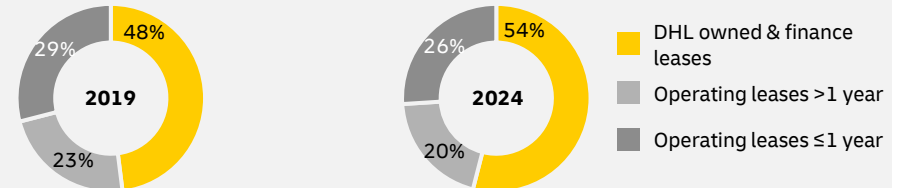
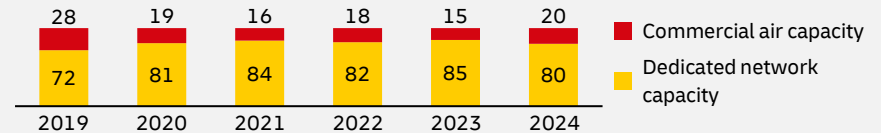
Our network flexibility enables us to align capacity with changing demand to sustain profitability



Air capacity<sup>1)</sup>



Share own vs. commercial air capacity



1) in avail. ton km

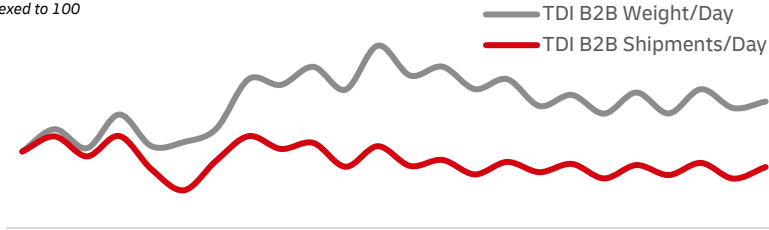


# BACK TO FUNDAMENTALS

Reasons why Express EBIT is structurally higher despite lower B2B volumes

## #1 Retain more weight in B2B

Indexed to 100

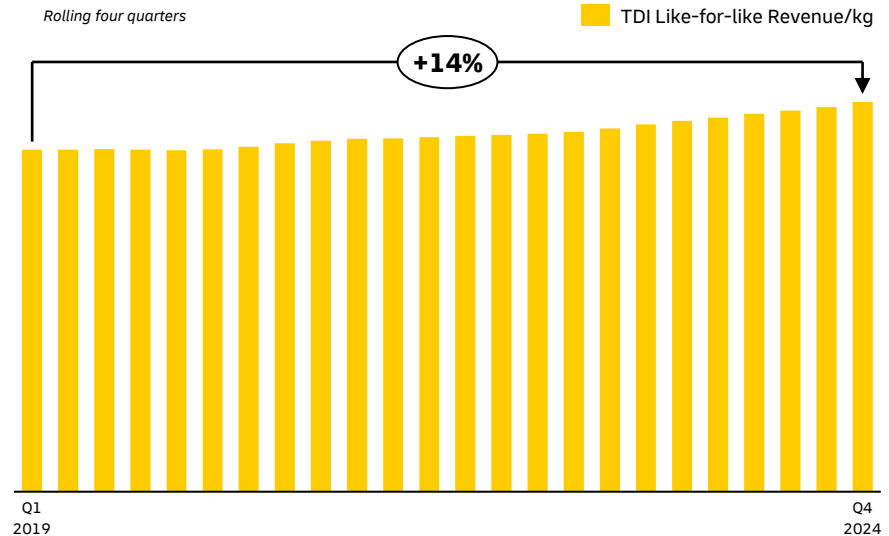


## #2 Structurally higher premium TDI B2C shipments

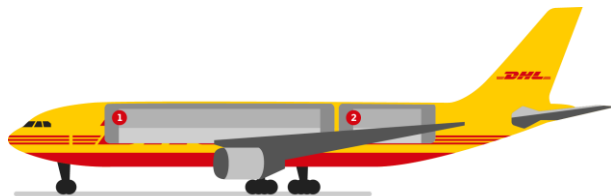
	FY 2019	FY 2024
TDI B2C volume share	30%+	40%+
TDI B2C revenue share	15%+	20%+

## #3 Continued discipline in base pricing

Rolling four quarters



# EXPRESS CORE PRODUCTS



## 1 TDI (Core)

Express TDI core product – capacity based upon average utilization, adjusted on a daily basis.

## 2 General Cargo

Average spare capacity that is sold as General Cargo to maximize utilisation.

**Time Definite International (TDI)** The premium segment within the express industry  
Time Definite = dedicated delivery at a scheduled time of day  
International = cross-border shipment (intra- or between continents)

## Time Definite Domestic (TDD)

Domestic door-to-door delivery by a specific time, or by the end of the next possible business day

## Day Definite International (DDI) and Day Definite Domestic (DDD)

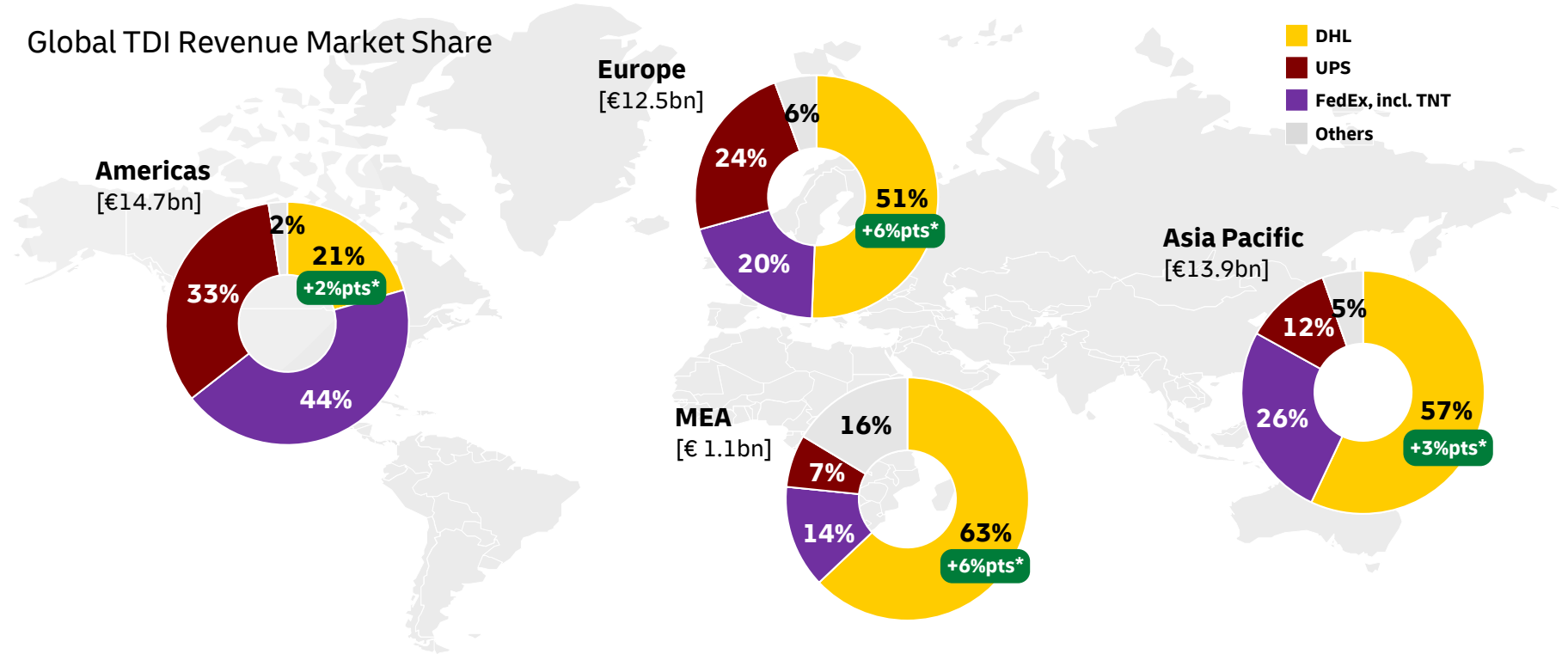
Door-to-door delivery within a certain number of business days for less urgent and heavier shipments

### TDI shipment example: Hanoi, Vietnam to Rome, Italy



# EXPRESS MARKET SHARE BY GEOGRAPHY (2021)

Global TDI Revenue Market Share



Sources: Market Intelligence study 2021

\*) vs 2016 including 53 countries

# EXPRESS PRICING COMPONENTS

## Base shipment price

- According to customer shipment profile (volume, weight, trade lanes)
- Subject to annual **General Price Increase (GPI)**

## Fuel surcharge

- Moves up and down with fuel price movements
- Transparently based on external fuel price indices

## Potential other surcharges

- Subject to specific shipment profile or services requested (e.g. Customs, delivery preferences etc.)
- Demand Surcharge

**Constantly tracked and revised through established mechanisms:**

- Ship-to-Profile
- Tender review Board
- Red / Yellow Card
- Net Price Change

**Unchanged strong focus on yield management based on well established toolset**

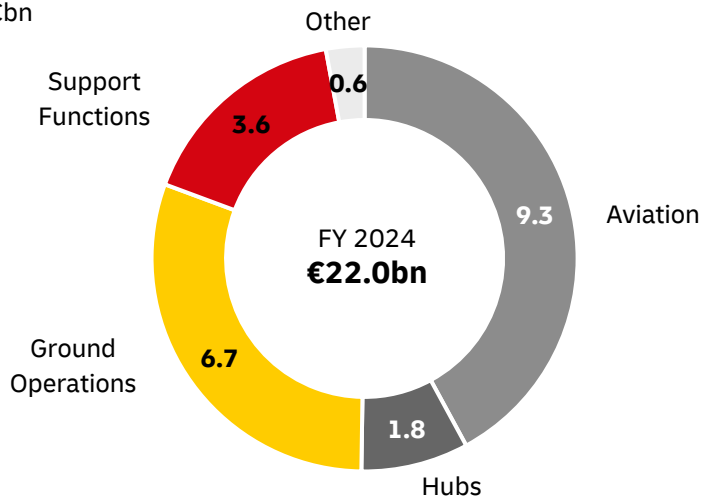


# FIT FOR GROWTH: STRUCTURAL OPTIMIZATION

Targeted measures across complete set-up to drive optimal utilization and ensure continued strong returns on our leading global network

## Cost base

In €bn



## Measures under implementation

### Aviation incl. Hubs

- Partner airline optimization, e.g. Polar JV exit
- Structural network adjustments, mainly in Europe and US
- Fleet replacement



### Ground Operations

- Optimization of PuD and Terminal Handling
- Delivery consolidation in lower density areas, mainly in US



### Support Functions, Customs & Others

- Lean overhead and simplification
- Streamlining of customs activities

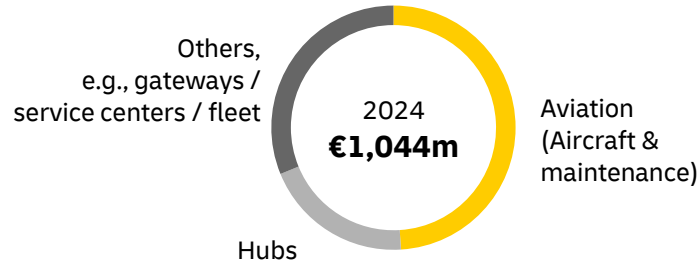


# INVESTMENT FOLLOWS GROWTH OPPORTUNITIES

Prudent Capex spending key driver to ensure further improvement in cash generation and ROIC

## Focus on maintaining leading global network

### Capex owned assets by type



## Strong cash flow generation



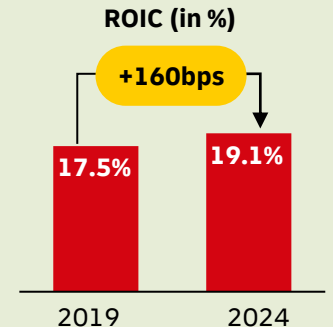
- ✓ Significant contribution to structurally higher Group FCF
- ✓ Prudent Capex spending drives profitable top-line growth while ensuring continued **strong cash conversion of EBIT into FCF**

## Strong earnings justify continued investment



### Levers to increase ROIC

- ✓ **Drive EBIT growth** by securing the right volume at the right price
- ✓ **Align Capex** closely with market opportunities
- ✓ **Leverage network flexibility** to optimize costs and maximize utilization





Financial Outlook 2030

# GLOBAL FORWARDING, FREIGHT

## Market growth assumptions (2024-2030)

- ➔ **Volume growth** in core products in line with global GDP

## Expected growth vs. market (2024-2030)

- ➔ **Above**

DGFF growth above market driven by service quality, sector and sales channel strategy, and further digitalization

## Capex Outlook

- **Asset-light** business model to be continued
- **Ongoing investment into digitalization and optimization** along IRR 2.0 (IRR = IT Renewal Roadmap)

## EBIT Outlook

- Return to **divisional conversion rate DGF (GP-to-EBIT) of 35% by 2030<sup>1)</sup>**, supported by ongoing structural productivity gains through GTOM<sup>2)</sup>, central operational governance and further digitalization & automation
- Cycle average EBIT margin 6-7%

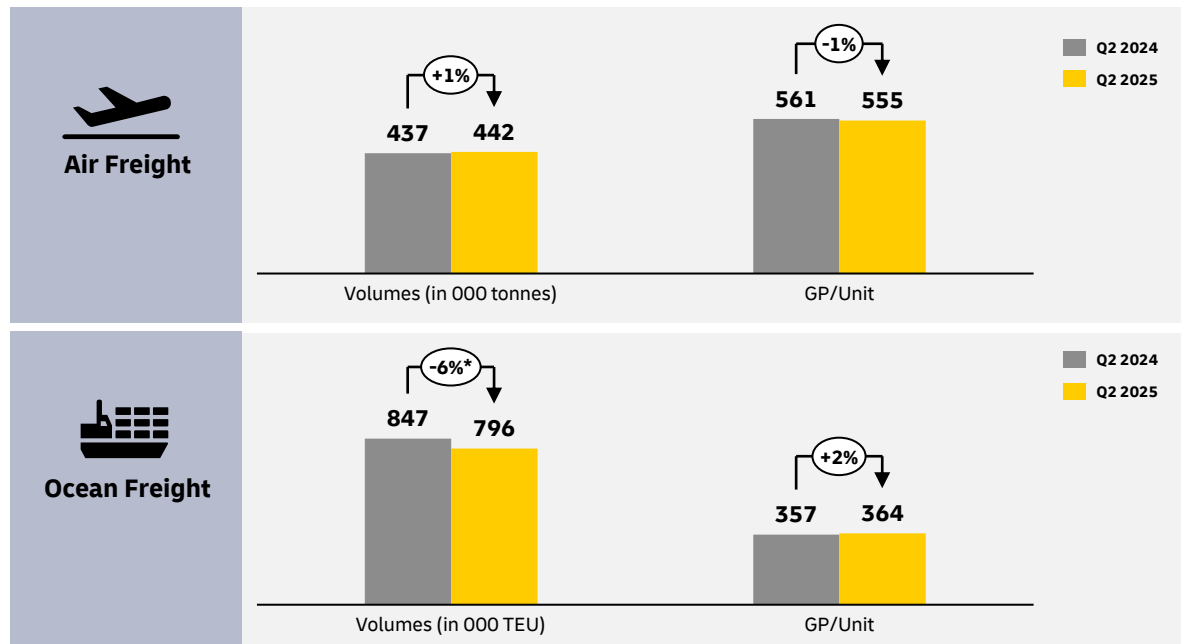
1) Assuming a year in the middle of the macroeconomic cycle

2) Global Target Operating Model



# Q2 2025: GLOBAL FORWARDING, FREIGHT

Short-term volatility translating into slower volume momentum, but stable GP/unit



- Volume development very volatile across weeks and tradelanes throughout the quarter – eventually resulting in **slower volume momentum in Q2**
- **OFR and AFR GP/unit stable yoy reflecting selective volume approach** against weaker demand environment
- **DGF GP-to-EBIT conversion** at 22.3% (-620bp yoy), mainly reflecting Cost of Change and lower productivity in context of slower volume momentum and extreme volatility

**Management change :**  
**Oscar de Bok to become new CEO DGFF**  
**as of Aug 16<sup>th</sup>, 2025**

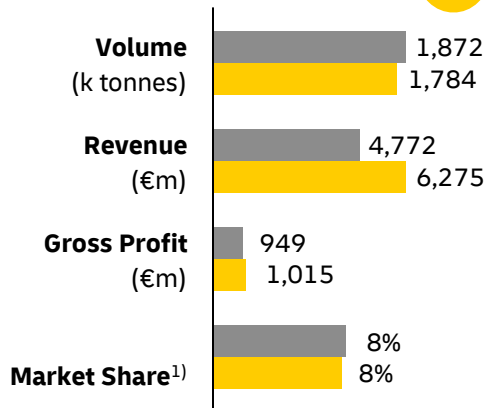
\* OFR volumes +0% yoy adjusted for discontinuation of low-yielding volumes with two larger customers

# LEADING POSITION IN FORWARDING BUSINESS

Development 2019 - 2024

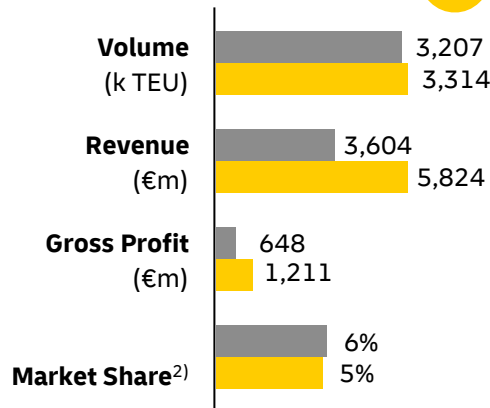
## Air Freight

# 2 Global



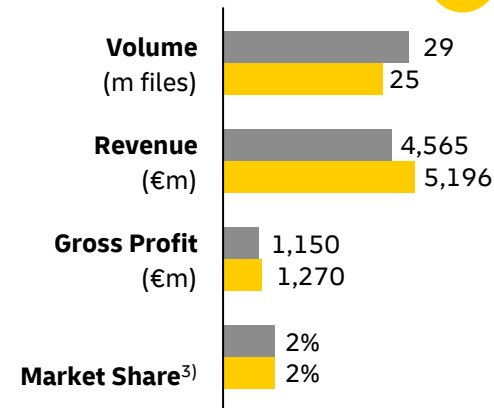
## Ocean Freight

# 2 Global



## Road Freight

# 2 Europe



■ 2019 ■ 2024

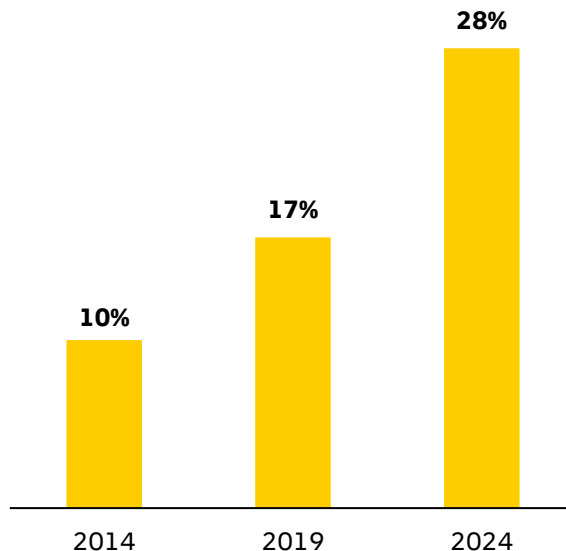
1) Based on export freight tonnes; 2) Based on export freight TEUs, estimated part of overall market controlled by forwarders; 3) Based on revenue  
Source: Seabury, Corporate Market Model, DHL Estimates

# SIGNIFICANT EFFICIENCY IMPROVEMENTS

IT Renewal Program resulted in efficiency gains through enhanced visibility and centralization



## Divisional Conversion Rate DGF



## Key Drivers

### Enhanced Visibility & Operations

Implemented end-to-end file visibility with our One File / One Operator model for better tracking, accountability, billing, and customer experience

### Centralized Data & Steering

Unified steering logic with a single data source for informed decisions, transparency, and standardization






### Optimized Outsourcing & Efficiency

Expanded Shared Service Center outsourcing to cut costs, boost scalability, and refocus core teams on high-value tasks

# STRENGTHENED SECTOR APPROACH

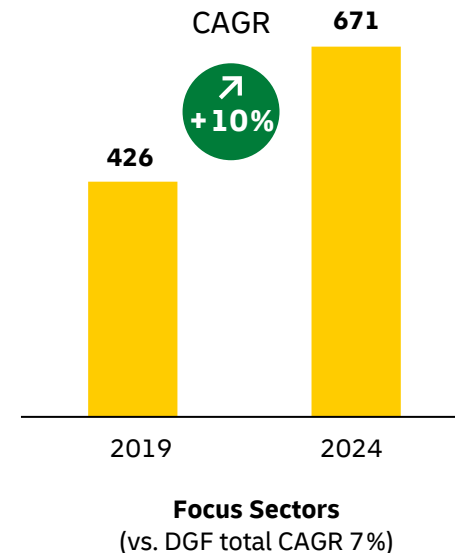
Maximize profitability with targeted sector growth through strategic capability investments

Sectors chosen based on higher GP/unit or very high conversion rate possible:

1	 <b>Life Science &amp; Healthcare</b>	Own global <b>GxP<sup>1)</sup> certified network</b> (110+ stations), advanced systems and time-critical services
2	 <b>Aerospace &amp; Aviation</b>	<b>Solutions for oversized components</b> (e.g., engines) and high-value parts
3	 <b>E-commerce</b>	<b>Expand cross-continental B2C air-solutions</b> beyond ex-China
4	 <b>Semiconductor</b>	<b>Specialize in capital equipment &amp; microchips</b> movements
5	 <b>Government</b>	<b>Solutions meeting high industry regulations</b>

## Gross Profit Development

€ m



1) GxP in pharma logistics refers to a set of guidelines and regulations for temperature control, cleanliness, and record-keeping during storage and transport

# DOUBLE DOWN ON INDUSTRIAL PROJECTS

Industrial Projects play a key role in delivering tailored complex logistics solutions across various industries

## Key Sectors Supported



New Energy



Semiconductor  
Fabrications



Oil & Gas



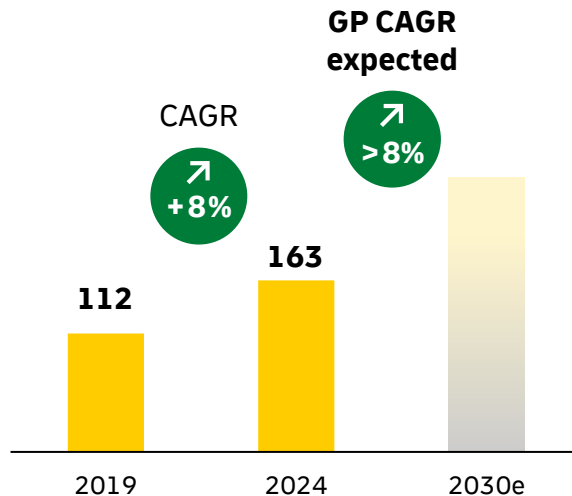
Engineering &  
Manufacturing



Government

## Gross profit development & outlook

€m



## Strong growth potential

>8% CAGR expected for Industrial Projects (IP) by 2030 through optimized processes and expertise

## Integrated solutions

Tailored logistics for complex shipments, supported by advanced IT solutions and strict safety standards

## Collaborative strategy

Internal cooperation and carrier relationships to secure large-scale projects and ensure seamless execution

# DOUBLE DOWN ON CUSTOMS

Driving long-term high-margin customer relationships through customs brokerage services

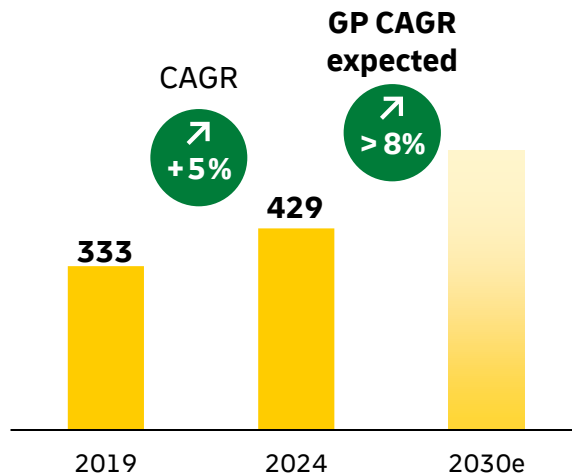
## DHL TradeConnect

DGF's integrated Global Customs Solutions, streamlines clearance processes to be faster, more consistent, and fully compliant, improving customer supply chains



## Gross profit development & outlook

€ m



## Unmatched value proposition

By leveraging deep local expertise and advanced digital solutions, we deliver visibility, control, and a superior customer experience

## AI powered platform

Streamlining of highly manual and repetitive tasks for operations by intelligent text recognition of customer documents

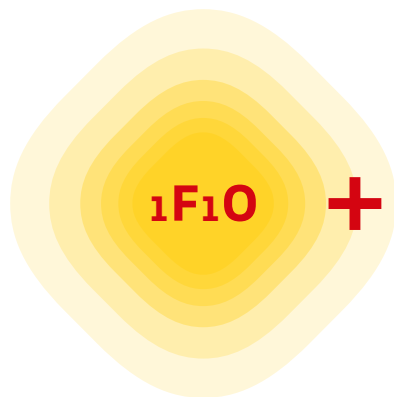
## Strategic investments

Continued focus on digital innovation, sales structure optimization, and targeted marketing to outperform market growth




# GLOBAL TARGET OPERATING MODEL

Enhance efficiency with global standardization in workflow, invoicing and Shared Service Center operations

## Global Target Operating Model (GTOM)



**1 operator** oversees all **file** activities & remains **single point of contact**

Workflow 	Invoicing 	Shared Service Center 
<ul style="list-style-type: none"> <li>Enhanced <b>workflow dashboard</b> increases <b>automation</b></li> <li>Reduced manual work allowing <b>more focus on customer</b></li> </ul>	<ul style="list-style-type: none"> <li><b>Quicker invoicing</b> due to higher level of automation</li> <li><b>More accurate invoicing</b> avoids revenue leakage</li> </ul>	<ul style="list-style-type: none"> <li><b>Reduced admin</b> for operator</li> <li><b>100% service center utilization</b> for mandatory services</li> <li><b>Task centralization</b></li> <li><b>Streamlining of processes with AI</b></li> </ul>
<b>Productivity improvement FY 2024 yoy: Air Freight +8.4%; Ocean Freight +13.5%</b>		



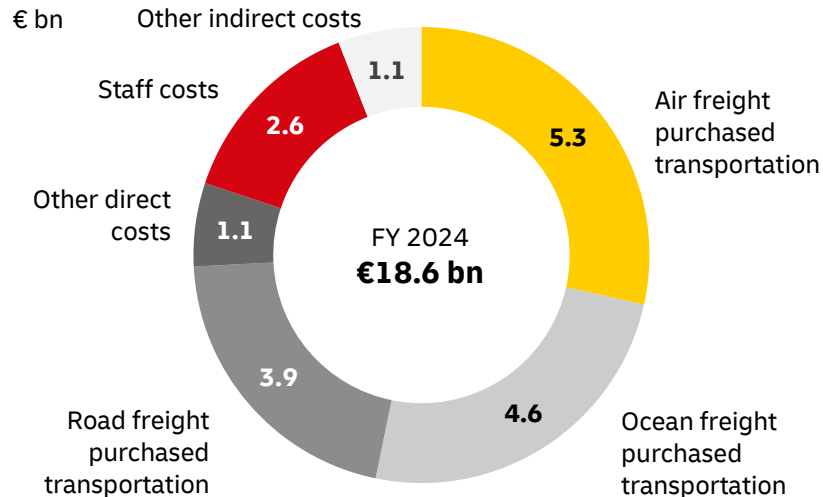
by 2030 compared to 2024



# FIT FOR GROWTH: SUPPORT GP-TO-EBIT CONVERSION

Driving internal efficiencies through dedicated cost and productivity measures will support targeted further increase in GP-to-EBIT-conversion ratio

## Cost base



## Measures under implementation

### Global Target Operating Model

Standardization, automation and optimized use of service centers through GTOM



### Shared Service Centers

Maximize the utilization of global shared service centers through e.g. task centralization



### Support Functions

- Lean overhead and simplification
- Streamlining of support functions
- Selective regional/country consolidation

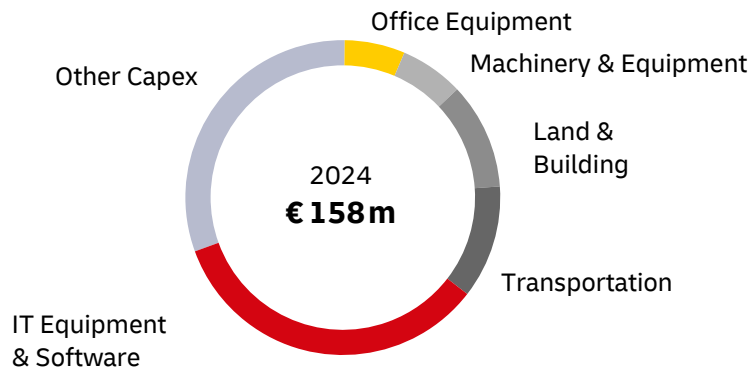


# EBIT GROWTH KEY DRIVER OF CASH GENERATION AND ROIC

Fundamentally asset-light business model offers highly attractive cash flow and ROIC profile

## Asset-light & growth focused investments

### Capex owned assets by type



### Solid base to focus on profitable growth...



- ✓ **Growth and efficiency initiatives** to sustain strong FCF generation
- ✓ **Investments** focused on people, processes, sectors, trade lanes, segments, yield and pricing, and VAS capabilities to achieve above market growth

### ...and drive strong ROIC in asset-light model



#### Levers to increase ROIC

- ✓ **Maintain asset-light model** with a limited increase in invested capital
- ✓ **Resume EBIT growth**, driven by identified top-line growth accelerators
- ✓ **Enhance divisional conversion rate DGF** through profitability levers, including GTOM and yield management



Financial Outlook 2030

# DHL SUPPLY CHAIN

## Market growth assumptions (2024-2030)

- **4-6% average growth** in global contract logistics market

## Expected revenue growth vs. market (2024-2030)

- ⬆ **Significantly above**

Driven by ongoing outsourcing trend, trade development as well as strategic initiatives towards higher growth products and sectors

## Capex Outlook

- DSC will maintain current business model (**mostly asset-light**)
- **DSC will continue investing** into new business as well as into robotics and automation solutions, digitalization and decarbonization. This in turn leads to an improved GP based on higher margins from new business, as well as increased efficiencies

## EBIT Outlook

- **Continuous EBIT growth** driven by participating in market growth, sector and customer specific solutions and build up of specific capabilities (incl. focused M&A)
- **Continuous improvement of industry-leading profitability to EBIT margin of 6-7%** supported by sector focus, digitalization, standardization and process optimization

# Q2 2025: SUPPLY CHAIN

Continued EBIT growth at industry-leading margin

**€293m**

Q2 2025  
EBIT  
excl. non-recurring effects

**+7%**

Q2 2025  
Revenue growth  
Life Sciences & Healthcare

**7,600+**

Robots in live operations

**90%+**

Global site coverage with advanced  
automation technologies

## Resilient long-term contract business model

- Reported EBIT includes net M&A effects of €54m, mainly related to a positive re-evaluation effect from the first-time full consolidation of DHL Supply Chain JV in Saudi-Arabia
- Excl. this non-recurring effect, 5% EBIT growth at 7% margin, showing continued healthy operating performance despite slower trading in installed contract base

## Enabled by Digitalization & Automation at scale

- First commercial deployments of Stretch robots in UK and Europe
- €1bn+ invested in robotics and automation over the past 3 years

## Management change :

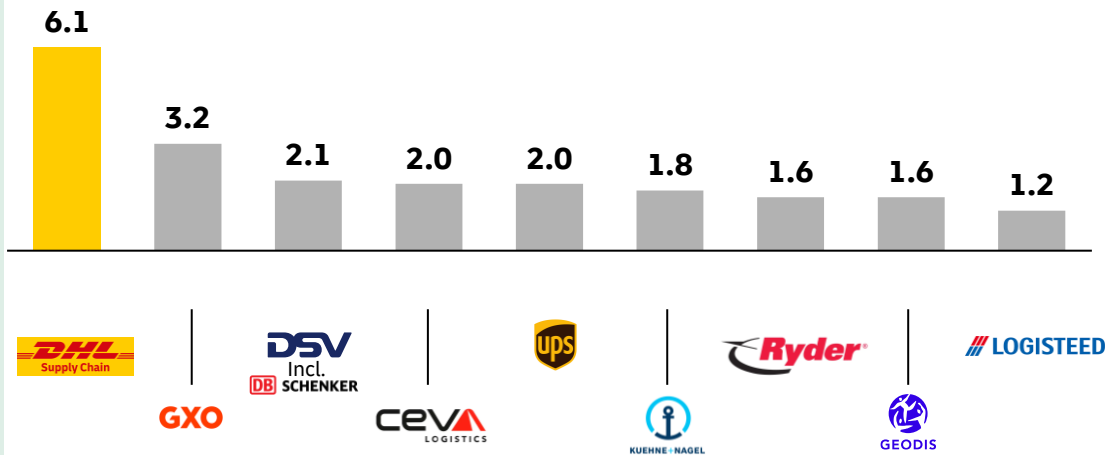
**Hendrik Venter to become new CEO DSC as of Aug 16<sup>th</sup>, 2025**

# UNDISPUTED MARKET LEADER

We have developed an extensive global network focused on innovation, maintaining a strong commitment to operational excellence to set ourselves apart from competition

## Contract logistics players

Market shares in % based on 2023<sup>1)</sup>



## Market leader in Contract Logistics

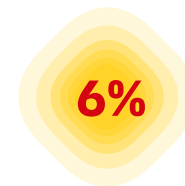
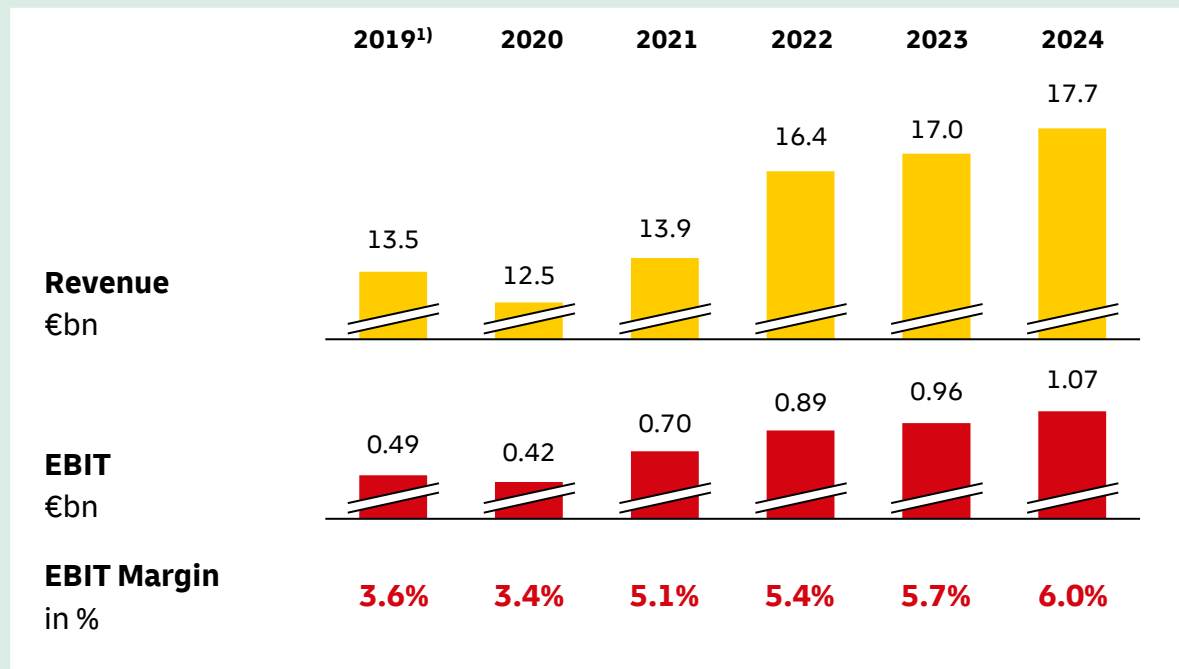
Only contract logistics provider certified as **“Great Place To Work”** with 100% of employee coverage

Leader recognized by **Gartner** in the Magic Quadrant for Third-Party Logistics, Worldwide (2025)

1) Market shares are calculated based on companies' respective contract logistics revenues. Source: DHL estimates

# FIVE YEARS OF ACCELERATED GROWTH

Proven track record of achieving year-on-year revenue growth and EBIT margin improvement



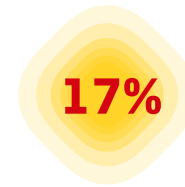
**6%**

**Revenue CAGR<sup>1)</sup>**



**10%**

**GP CAGR<sup>1)</sup>**



**17%**

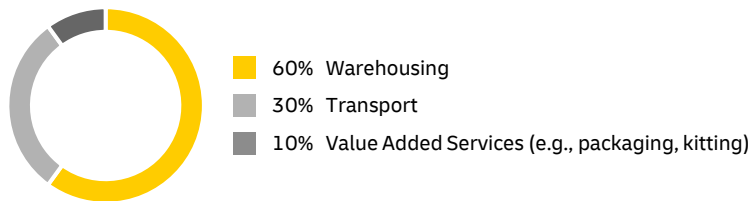
**EBIT CAGR<sup>1)</sup>**

1) Excluding effect of disposal of China operations (sale of China business in 2019)

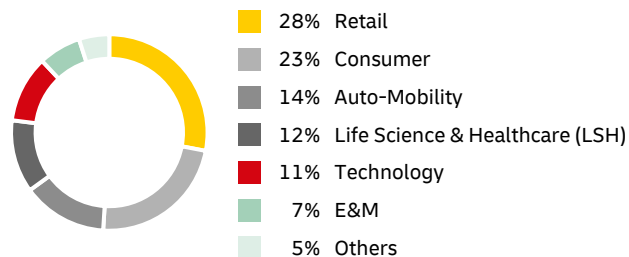
# FY2024 REVENUE: DIVERSE STREAMS SECURE OUR SUCCESS

Our diversified revenue leverages market growth opportunities and ensures resilience in a VUCA world

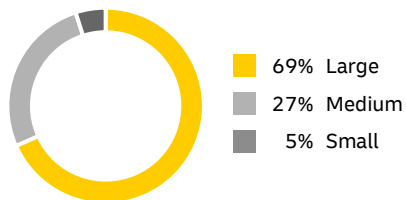
## By core service



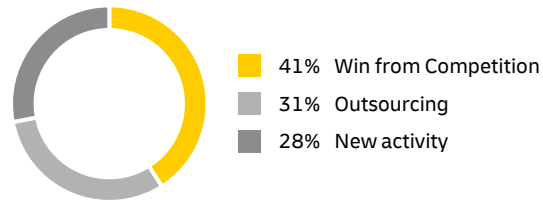
## By vertical



## By customer size



## New business gains by source<sup>1)</sup>



1) Based on Average Annual Revenue from New Business Gains



# GROWTH IN CONTRACT LOGISTICS

Our global scale, extensive network, and operational excellence allow us to harness structural tailwinds in contract logistics while navigating industry complexities, setting us apart from competition

## Supply chain diversification accelerates

### Drivers



Geopolitical risks



Supply chain disruptions



Cost competitiveness

## Fast growing sectors, with rising complex requirements



**E-commerce** global share of retail to reach **22%** with **CAGR of 6-8% (2022-2027)<sup>1)</sup>**



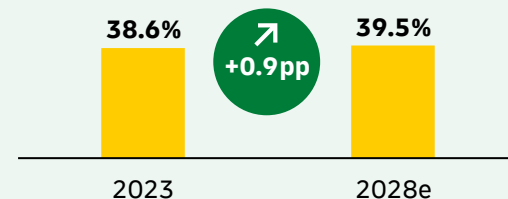
Structural shift in **LSH** accelerates growth in advanced segments & requires **distinctive logistics solutions**



Complex requirements will advantage larger players, raising **entry barriers** for smaller competitors

## Outsourcing continues to grow

### US outsourcing rate, % total logistic spend<sup>2)</sup>













In the US, 1 % increase in outsourcing rate equals +38 USD bn market increase



Above market growth expected in **automotive, retail & LSH** verticals

# ACCELERATED GROWTH SOLUTIONS

Our Accelerated Growth Solutions are a key part of our solutions portfolio to accelerate our growth

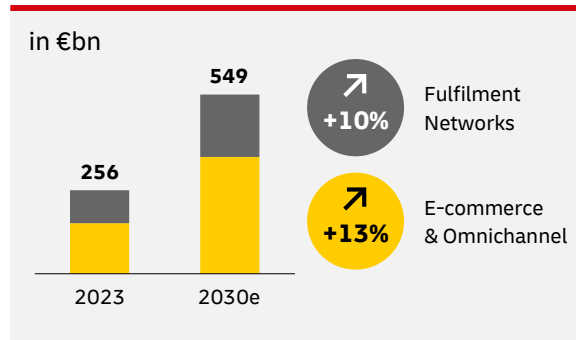
Global customer supply chains								Value Creators			Customer Focus		
	Plan	Source	Make	Store	Customize	Deliver	Maintain & Return	 Go Green	 Data & Robotics	 RES <sup>1)</sup>	Small	Medium	Large
Accelerated Growth Solutions	Inbound to Manufacturing							●	●	●		●	●
				E-commerce & Omni-channel				●	●	●		●	●
						Returns & Circularity		●	●	●		●	●
				Service Logistics				●	●	●		●	●
				DHL Fulfilment Networks				●	●	●	●	●	●
				Pharma Specialized Network (LSH)				●	●	●		●	●
						DigiHaul		●	●	●	●	●	●
	LLP & Supply Chain Orchestration						●	●	●		●	●	
Core Services		Transport						●	●	●		●	●
				Warehousing				●	●	●		●	●
		Specialized Services (VAS)						●	●	●		●	●

1) RES: Real Estate Solutions

# PRODUCTS FOCUSED ON GLOBAL E-COMMERCE GROWTH

We are rapidly enhancing our e-commerce offering to meet the growing demands of both SMEs and larger e-commerce customers, fueling continued growth

## Estimated logistics market size & CAGR



## Footprint

<b>€2.8bn</b> revenue FY 2024	<b>&gt;200</b> e-commerce dedicated operations	<b>&gt;70</b> fulfilment network locations
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## Solution Overview

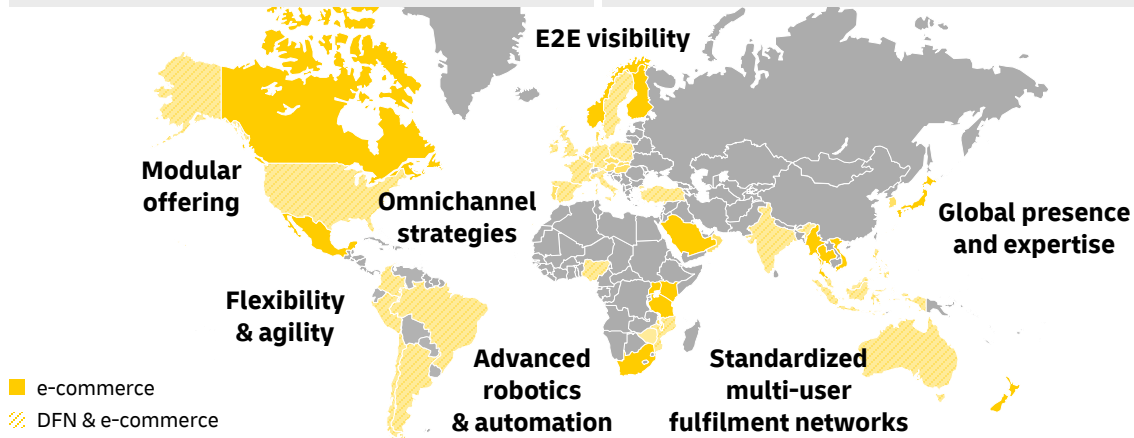
### Fulfilment Networks (DFN)

**Multi-customer network** for SMEs seeking fast & scalable fulfilment options



### E-commerce & Omnichannel

Ideal for large companies with extensive e-commerce operations (**dedicated**)



# LIFE SCIENCES & HEALTHCARE LOGISTICS

We build on our strong LSH footprint and DHL Group's capabilities to deliver excellence in healthcare through our global reach, team of experts and tailored E2E network solutions

## Pharma Segment Logistics Market

### CAGR 2023-2030e

Highly specialized logistics services required in specialized segments

Conventional		Specialized segments	
Pharma Conventional	5%	Biopharma	13%
Consumer Health	6%	Cell & Gene	25%
Med Device	6%	Clinical Trials	12%

## Footprint

€2.1 bn

revenue  
FY 2024

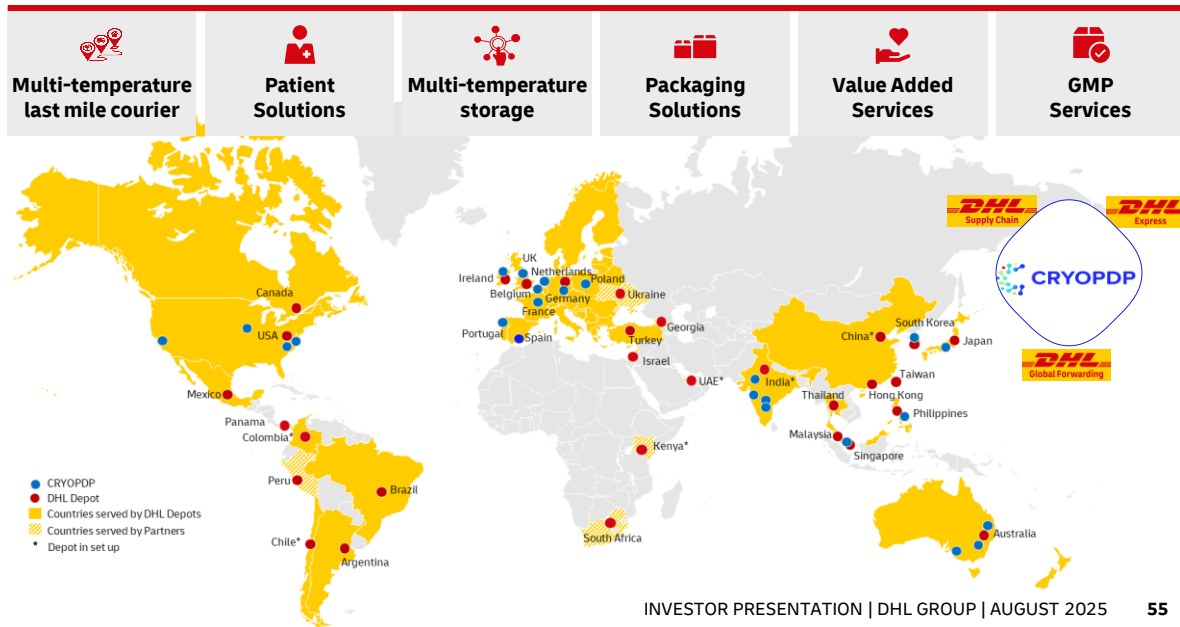
>430

LSH customers  
globally

>110k

Clinical  
logistics  
shipments

## Solution Overview



# COMMERCIAL & PRICING STRATEGY

Our objective is to better retain the value we deliver by choosing the right commercial model for each customer and assessing their willingness to pay to apply the most effective pricing strategy

## Pricing strategy

**Pricing Strategy** based on:



Willingness-to-Pay



Value Quantification



Versioning & Surcharging



**Customize the contract** according to the value provided

## Balanced contract model



**Open/Closed book contracts** <sup>1)</sup>



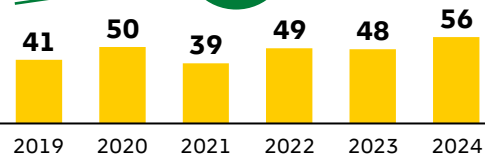
**Built-in mechanisms** to adjust pricing in case of inflation



Usage of **open-book contracts** for uncertain volumes & high-risk contracts

## Multi-year contracts provide resilience

Av. contract length (months)



**Proof that value** builds long lasting partnerships



**Stable revenue stream**


1) Based on FY 2024 revenue


# MODULAR STANDARDIZATION

Through modular standardization, we deliver customized solutions built from standardized modules, enabling faster and more efficient deployment of new operations





## A DHL standard module catalogue ...

Warehousing	Inbound		Outbound		...
	Unloading	Putaway	Picking	VAS	...
	Standard Trailer	VNA	Case	Kitting	
	Container	Hazardous	Locus	Labelling	
	Conveyor	Flow Racking	Pallet	Customs Clearance	
Transport	Order Mgmt.	Planning	Own Fleet mgmt.	Carrier Proc.	...
	...	...	...	...	...

 DHL-proven **standard modules** designed to address common customer needs

 **Pre-configured** elements:  
Ease to **design & re-configure** customer operations

## ...to provide flexibility to our customers

Scale our operations faster	<b>151</b>	New large-scale operations in 2024	
Ensure robust implementation	<b>95%</b>	New business start ups delivered on time	
Guarantee best-in-class quality	<b>96%</b>	Service Quality <sup>1)</sup> (all operations)	
Be able to fulfil their changing demands	<b>91%</b>	Renewal Rate in 2024	

1) % of operations meeting all customer required KPIs

# DSC's digitalization agenda is processing fast while the unique ecosystem of integrated solutions, robotics and analytics maximize value

## Focus technologies identified along entire logistics process

### 12 Accelerated Digitalization

Assisted Picking Robots



(un)Loading Technologies



Intelligent Process Automation



Packing Technologies



Smart Operations



Supporting Robots



Goods-to-Person Robots



AI & Data Analytics



Sortation Technologies



Indoor Robotic Transport



Wearable Devices



Asset Tracking & Monitoring



### 6 Mechanized Automation

Automated Order Picking



Automated Storage & Retrieval System



Packing/Labeling automation



Mechanized Sortation



Mechanized (Un)Loading



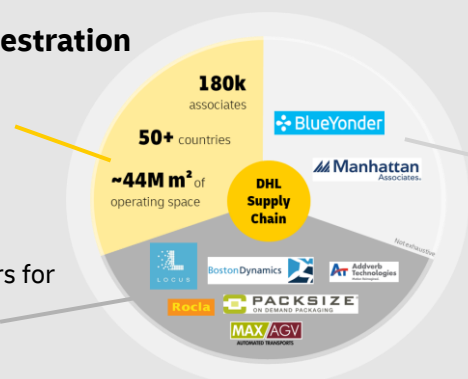
Powered conveyors



### Vendor orchestration

Logistics assets and expertise

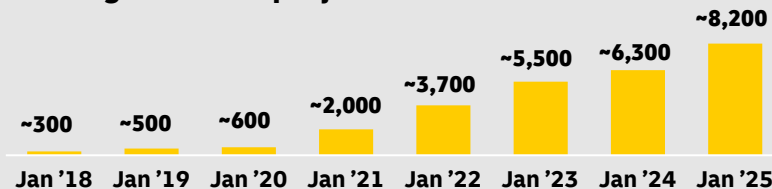
Robotics vendors for solutions and analytics



Strategic software vendors for integration and analytics

**92%** of sites with Accelerated Digitalization technology deployed

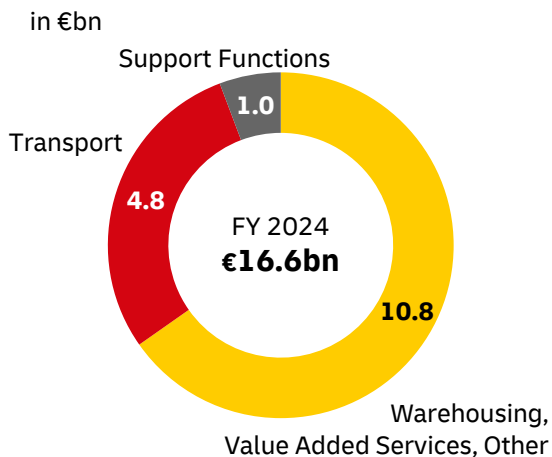
### # of digitalization projects live



# FIT FOR GROWTH: DRIVES GROWTH & PROFITABILITY

Structural productivity gains support new business wins through better service levels and contribute to continuous margin improvement

## Cost base



## Measures we're implementing

**Commercial & pricing strategy**



**Modular Standardization**



**Innovation & Robotics**



### Global Efficiency Programs



- Lean overhead and simplification
- Digitalization in all processes, transition to cloud systems
- GenAI and Advanced Analytics in Sales, Solutions Design, Operations, HR and Finance

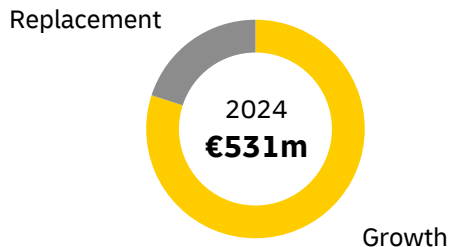


# INCREASING RETURNS ON GROWING ASSET BASE

Maximizing returns through enhanced profitability of new business wins and improving existing business

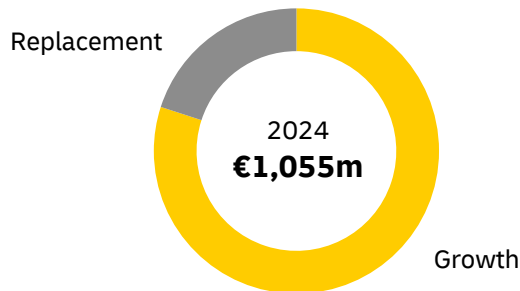
**Investment for future growth while maintaining asset-light business model**

Capex owned assets by type



Mainly machinery and equipment.  
Further examples include fleet, robotics and automation, IT systems

Capex leases assets by type



Mainly land and buildings (e.g. real estate deals and facility renewals). Further examples include investment in vehicles

**Committed to generate rising cash flow...**



- ✓ **Strong FCF generation**, anchored in resilient long-term contract business model
- ✓ **FCF increase to be mainly driven by EBIT growth**, supported by above-market expansion and efficiency gains from robotics and automation

**...and gradual ROIC improvement**



**Levers to increase ROIC**

- ✓ **Capex** to grow in alignment with new business wins
- ✓ EBIT growth oriented towards **attractive products & services** as identified by top-line growth initiatives
- ✓ **Leverage pricing, innovation & robotics, and modular standardization** to enhance return on invested assets



Financial Outlook 2030

# DHL eCOMMERCE

## Market growth assumptions (2024-2030)

↑ Strong volume growth of 6-8% across domestic and cross-border e-commerce markets – geographically quite heterogenous

## Expected growth vs. market (2024-2030)

↗ Above

Expanding market share alongside strong yield discipline

## Capex Outlook

- **Average spend of ~€300-400m p.a.** (capex owned assets)
- **Further investments along whole value chain:** Fleet expansion & modernization, digital platform, network expansion, especially in hubs and depots including sorting technique

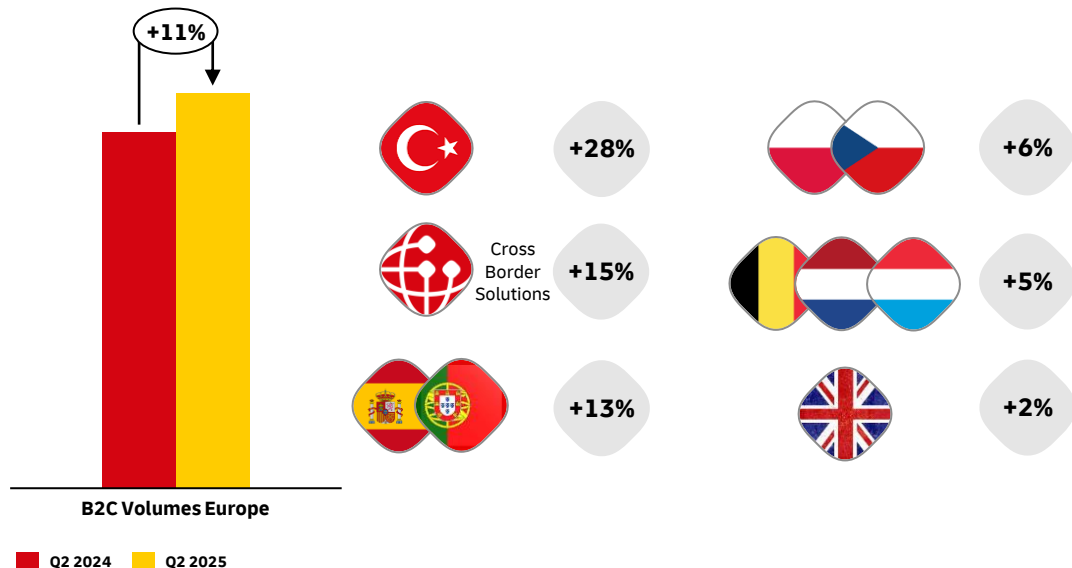
## EBIT Outlook

- **EBIT growth trajectory** driven by volume, yield and operational efficiencies
- **EBIT margin stable at 4-5% in investment phase** (until 2025); followed by margin expansion to >5%

# Q2 2025: ECOMMERCE

Investing into structural growth trend while maintaining positive FCF

## B2C Parcel Volumes Europe, Q2 2025 yoy



- **Structural e-commerce trend fully intact**, with large spreads in growth rates across countries
- **Network investments ongoing**, but growth investments closely controlled: organic growth investments remain fully covered by divisional cash flow with **positive DHL eCommerce FCF in H1 2025**

### Mid-term trajectory:

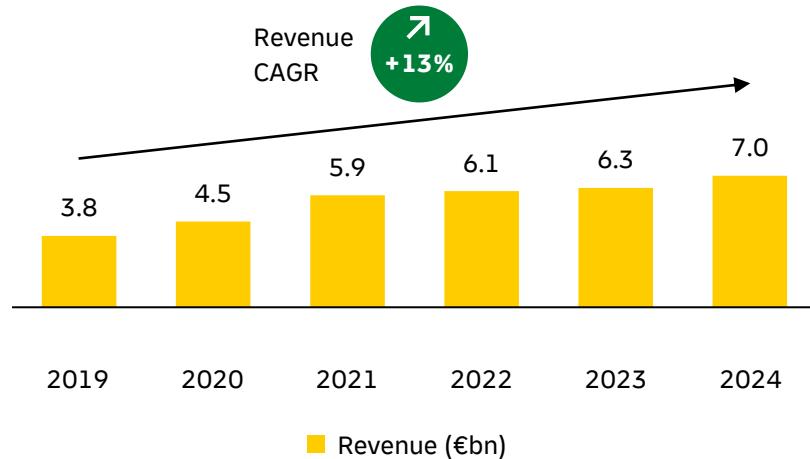
EBIT growth trajectory driven by volume, yield and operational efficiencies; EBIT margin expansion to >5% after investment phase



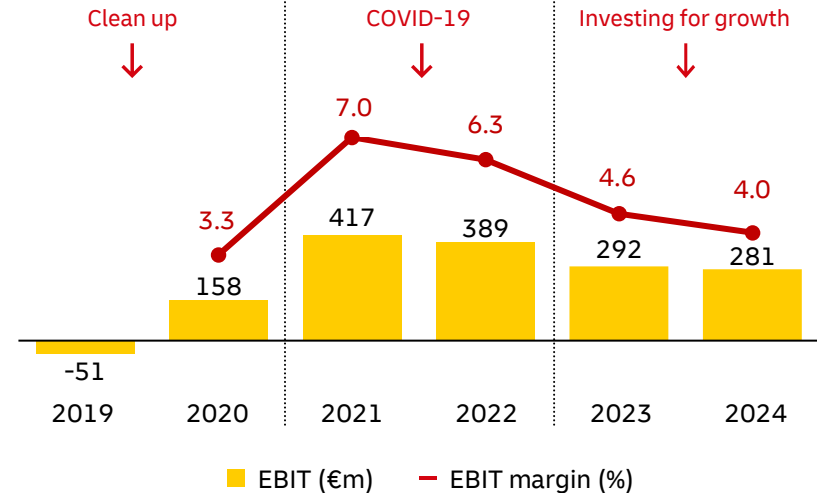
# OUR REVENUE AND PROFIT GROWTH JOURNEY

Growth acceleration after restructuring and COVID has led to sustainably higher EBIT and margin levels

## Top-line growth












## Profit growth



# ADDRESSING MEGA-TREND E-COMMERCE

We have a strong presence in the world's leading e-commerce markets

## Geographies<sup>1)</sup> we operate in

Domestic	Cross-Border
 <b>EUROPE</b>  8 countries	 27 European countries & Trans-Atlantic
 <b>US</b> 	 Trans-Atlantic & into Canada
 <b>INDIA</b> 	 Building capabilities

## Attractive GDP+ market growth

	Market data <sup>2)</sup>		DHL eCommerce positioning	
	CAGR 2024-28e <sup>3)</sup>	E-commerce penetration	Domestic	
Domestic markets			Relative volume market share <sup>4)</sup>	Profit pool ranking
BeNeLux	~5%	20%	>0.5	#1
Czech Republic	~5%	18%	>0.5	#1
Iberia	~5%	12%	>0.5 (B2B)	#3
India	~15%	8%	>0.5	#1
Poland	~10%	16%	<0.5	#3
Turkey	~15%	16%	>0.5	#2
UK	~5%	29%	<0.5	#3
USA	~5%	27%	>0.5	#1

1) DeC also has operations in Thailand, Malaysia and Australia 2) Source: Euromonitor International 2023 3) Retail Value RSP (Retail Selling Price) incl. sales tax, constant prices

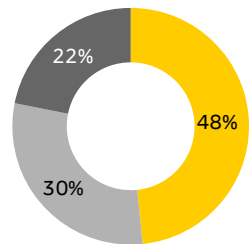
4) Relative market share compares DHL eCom's market share as it relates to largest competitor; >0.5 depicts strong position, while <0.5 shows weaker position

# OUR CUSTOMER BASE IN 2024

We have a well-diversified customer base, focused on e-commerce

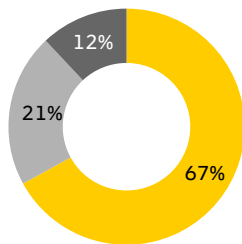
## Our customer base is broad and diverse...

Volumes per regions



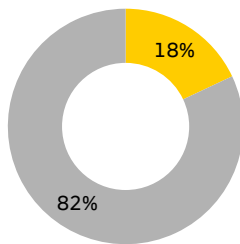
■ EU<sup>1)</sup> ■ US ■ India

Volumes per categories



■ B2C ■ B2B ■ XB

Share of revenue by customer size



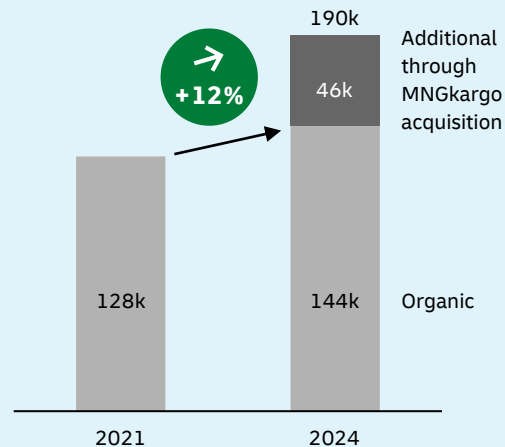
■ Top 20 customers  
■ Other customers

1) w/o UK letter business



## ...and is growing at a healthy pace

# of active customers



# OUR FOOTPRINT IN EUROPE GEARED TOWARDS STRUCTURAL GROWTH

Our hybrid flexible network in Europe allows for optimizing capital allocation for growth

## DHL operations (Asset heavy)

- Own operations from first to last mile in 8 countries
- Foundation for strong cross-border business

## Partners (Asset light)

### Connecting Europe through partnerships:

- ✓ DHL Group – Synergies with P&P, EXP and DSC
- ✓ Poste Italiane – delivery in Italy, sells our cross-border
- ✓ CTT Expresso – B2C delivery partner in Iberia
- ✓ Austrian Post – B2C delivery partner across countries



## Europe revenue growth

€bn

Revenue  
CAGR

↑  
+13%

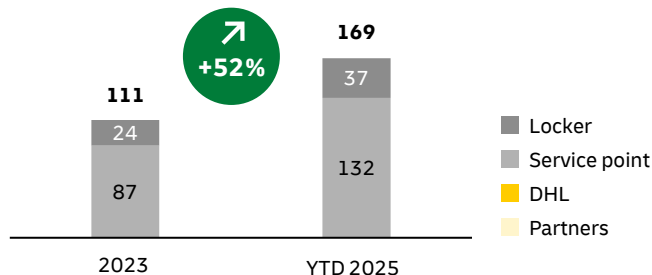
2019 2020 2021 2022 2023 2024

# BIGGEST OUT-OF-HOME NETWORK

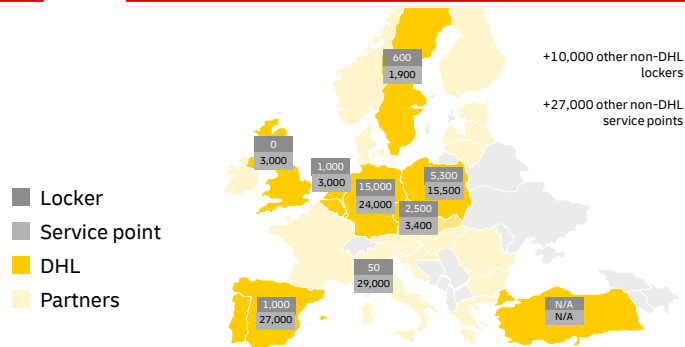
With our DHL and partner out-of-home network (OOH) in Europe we offer our customers 169k pick-up and drop-off points

## Number of total OOH points<sup>1)</sup>

in thousands



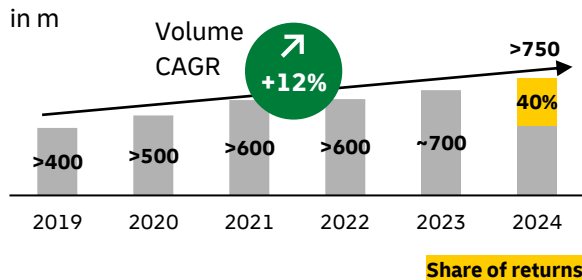
## DHL OOH network



We focus on deploying lockers in markets where we see increasing demand: in **Poland, Czech Republic, Germany, Netherlands, Italy and Iberia** as a prerequisite for:

- Reduced last-mile costs
- Increased convenience for end customers
- Enhanced sustainability
- Returns

## Volumes<sup>2)</sup> in DHL OOH network



1) DHL and partner 2) DHL Group network and volumes (P&P, DHL eCommerce and DHL Freight)



# CROSS-BORDER

We are capitalizing on cross-border trade, which is expected to grow 10-15% annually until 2030

**DHL eCommerce is focusing on intra-Europe and intercontinental Europe-US-SEA-AU**

**Our cross-border sweet spot**



## Our ambition

**Triple the global cross-border business from ~€1bn to ~€3bn revenue**

### Continue outgrowing competition intra-Europe

- Continue growing B2C, B2B, C2C and returns on single label platform
- Strong synergies with P&P Germany for cross-border business in Europe (delivery partner, shared hubs)

### Accelerate our intercontinental business

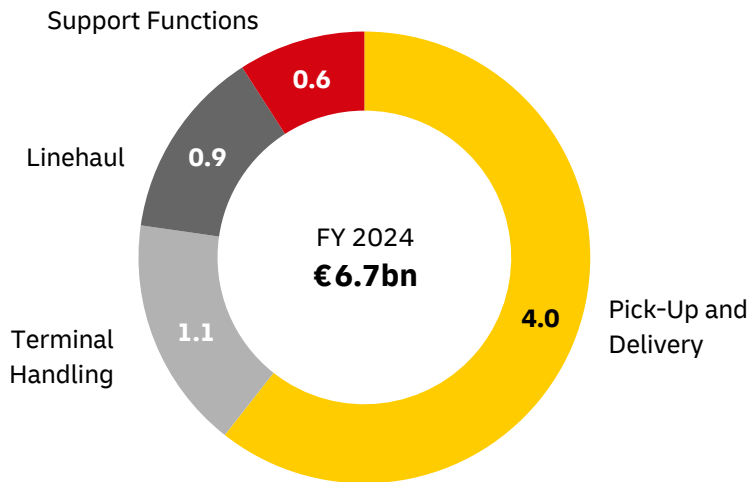
- Market-leading 2C delivery networks
- Outbound and inbound clearance options
- Dedicated and commercial air capacity access
- Common IT platform

# FIT FOR GROWTH: SUPPORTING MARGIN EXPANSION

Dedicated actions for structural optimization of cost base while investing to address domestic and cross-border growth opportunities

## Cost base

€bn



## Measures under implementation

### Pick-Up and Delivery

- Routing & Service partner optimization
- Flexing resources
- Further scaling of out-of-home delivery



### Linehaul

- Load factor maximization



### Terminal Handling

- Sorting facilities optimization



### Support Functions

- Lean overhead and simplification

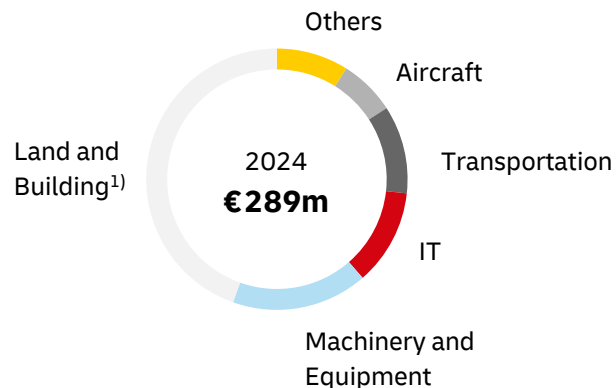


# ORGANIC GROWTH SELF-FUNDED

Maintaining disciplined approach to capital allocation while executing on our growth strategy

## Investment into expansion and automation

### Capex owned assets by type



1) Parcel hubs / parcel sorting centers / parcel lockers

## Organic growth self-funded



- ✓ **Investments** in expansion and automation are **self-funded** by operating cash flow
- ✓ **Sustained increase in cash flow generation** driven by structural e-commerce growth and increasing footprint organically
- ✓ **Opportunistic M&A** complementing profitable organic growth

## ROIC outlook reflects growth strategy



### Levers to increase ROIC

- ✓ **Drive EBIT growth** through structural e-commerce expansion, increased cross-border volumes and footprint expansion
- ✓ **Enhance profitability** through disciplined execution of the yield management toolbox and continued focus on increased asset utilization and unit economics
- ✓ **ROIC expected to stabilize shorter-term and increase** with a normalized investment level and margin expansion



Financial Outlook 2030

# POST & PARCEL GERMANY

## Market growth assumptions (2024-2030)

- ↓ **Mail:** mid-single digit volume decline
- ↑ **Parcel:** mid-single digit volume growth

## Expected growth vs. market (2024-2030)

- **In line**
- Maintain leading market share alongside continued strong yield discipline

## Capex Outlook

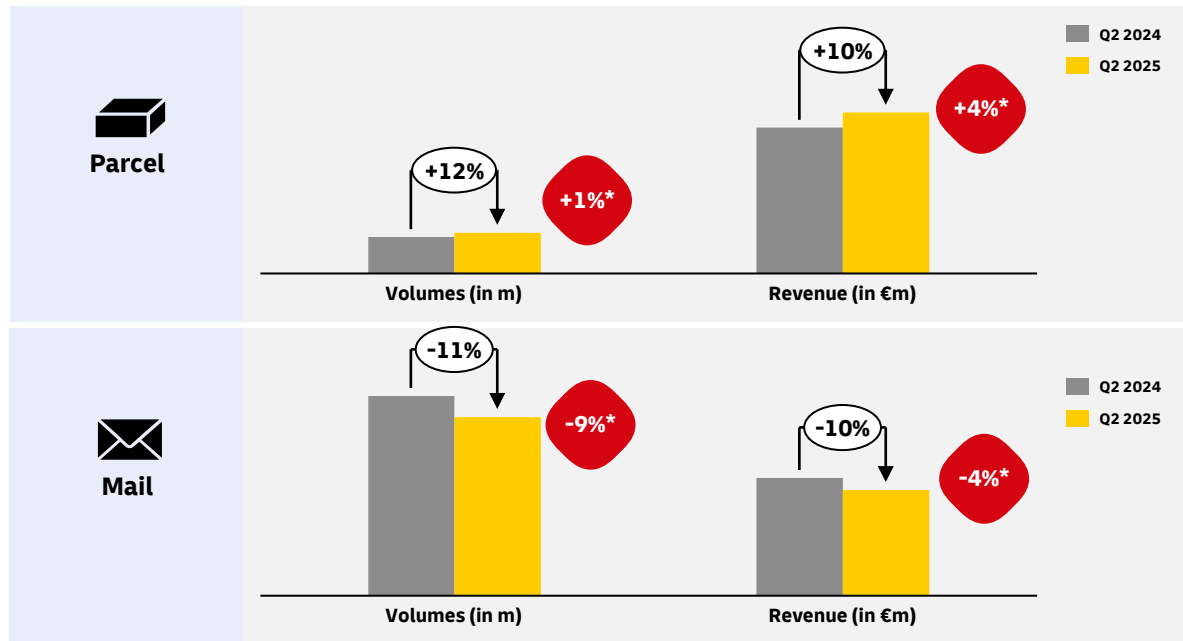
- Capex **follows EBIT and OCF development**
- Capex planning according to **pace of parcel growth**

## EBIT Outlook

- **Stabilization around €1bn as of 2025**
- Inflation and tariff effects to be covered by pricing, parcel growth and productivity increases
- Return to EBIT growth once transformation process largely completed after 2030 (then: predominantly parcel business)

# Q2 2025: P&P GERMANY

Successful transformation ongoing; short-term consumer moderation offset by effective cost actions



- Parcel growth, regulated mail price increase and cost measures drive **EBIT growth of 28% yoy**
- Like-for-like Parcel revenue increasing stronger than volume due to **strong yield focus**
- Cost measures driving **total costs down yoy** despite new wage increase in effect from April 1<sup>st</sup> 2025

## Mid-term trajectory:

Managing self-financed transformation from Mail to Parcel while delivering ~€ 1bn annual EBIT



\* like-for-like figures: Changes in the product portfolio have anticipated effect on reported yoy change in Parcel (up) and Mail (down)

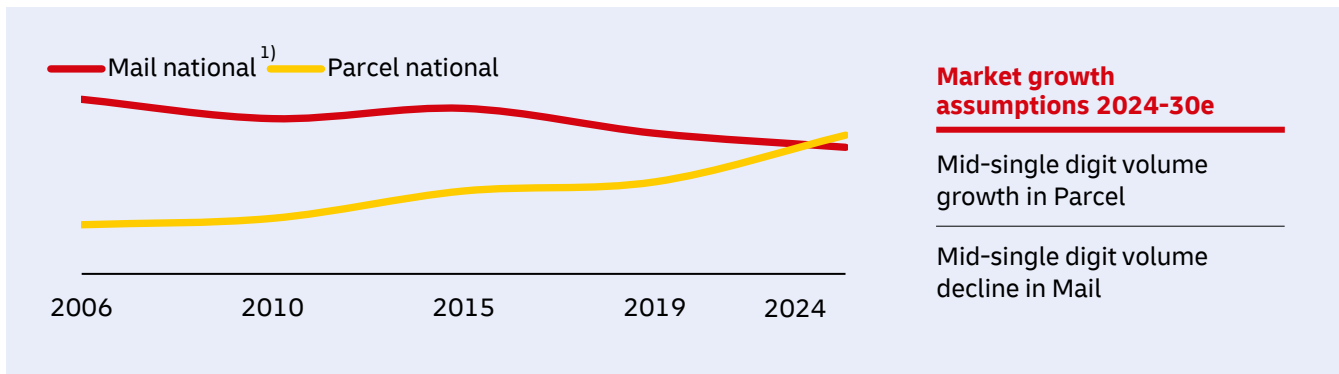
# FROM POSTAL TO PARCEL

Capitalizing on the e-commerce trend and transitioning to parcel player

**Mail-to-Parcel structural mix changes over time as reflected in P&P Germany revenue mix**

## “Post & Parcel”

## “Parcel & Post”



1) Mail Communication and Dialog Marketing

# E-COMMERCE LOGISTICS LEADER IN GERMANY

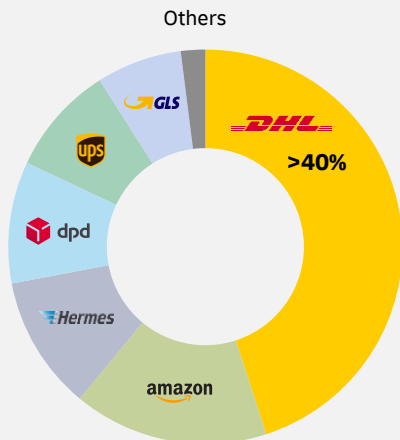
Market leadership through superior service quality, growth supported by diversified customer base

## #1 Parcel player in Germany

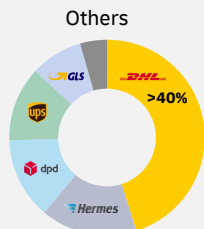


### Parcel market share 2023 in Germany

Volumes in million pieces, in total: 4,250m pieces



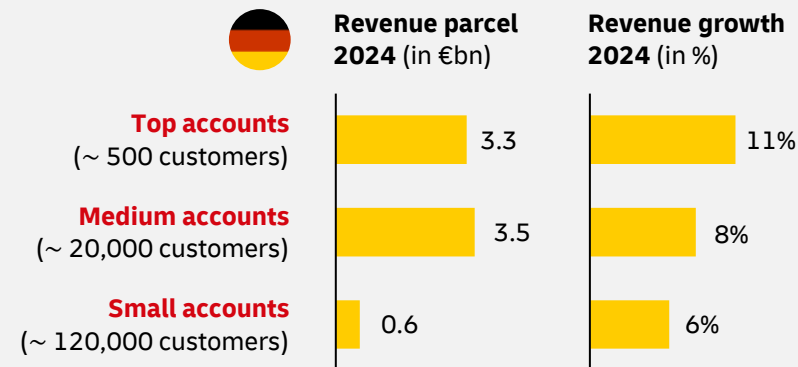
### Parcel market share 2014 in Germany



## Growth supported by all customer segments



### Parcel revenue by customer size



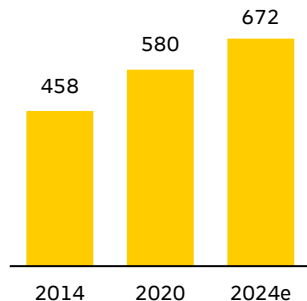
No single customer represents more than 5% of total divisional revenue

# PARCEL VOLUME AND YIELD GROWTH

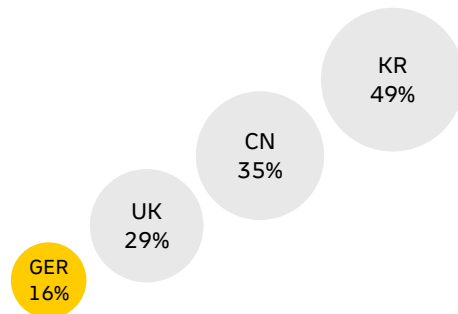
Further growth through the increasing share of online sales while maintaining pricing discipline

## Overview of retail market volume and share

Sales volume in German retail sector, in €bn<sup>1)</sup>



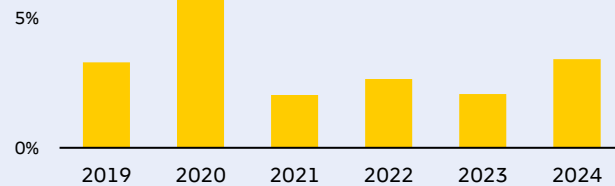
E-commerce share in total retail 2024<sup>2)</sup>



- Continuous **strong growth** of German retail sector, driven by e-commerce (in 2023 **top 3 e-commerce market in Europe**)
- **Significant upside for e-commerce market in Germany** given relatively low online penetration (16% in 2024)

## DHL Parcel Germany

Increase in revenue per parcel, yoy



- **Revenue continuously above volume growth** since introduction of annual General Rate Increases in 2018, reflecting **stringent and significant pricing measures** e.g., ship2profile, red flags, surcharges
- Our yield focus is also reflected in our **GoGreen plus** services, which are offered with an adequate pricing mark-up



# 1 SORTING: A/B STEERING

Added flexibility in delivery times drives operational synergies between mail and parcel

## Strategically steer mail delivery according to area density

### How does it work?

- All areas are served daily
- Non-urgent shipments can be steered flexibly depending on the density in local delivery
- Monday all mails and parcels are delivered in all areas

### Benefits

- ✓ Productivity improvement and increased asset utilization through higher density on last mile
- ✓ Incremental cost savings of €50m p.a.

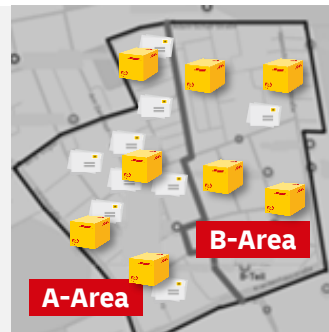
#### In A-Area

All mail  
and parcel

Tue

Thu

Sat



#### In B-Area

Parcels &  
priority letters

Tue

Thu

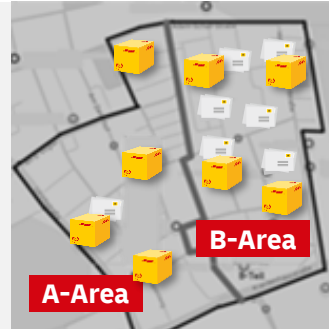
Sat

#### In A-Area

Parcels &  
priority letters

Wed

Fri



#### In B-Area

All mail  
and parcel

Wed

Fri

## 2 SORTING: “READY TO GO”

Maximized utilization of existing mail infrastructure further drives efficiency gains



Capabilities opening for mail sorting centers, as letter volumes decline

Move full sorting from delivery basis to mail sorting centers

Simplify work for couriers; letters received in route-specific container

Total long-term cost savings >€100m p.a.



Pilots in 2025

Rollout based on mail volume decline

**Long-term productivity measures**

3

## LAST MILE: EXTENDED JOINT DELIVERY

Increased operational efficiency through asset optimization in the last mile

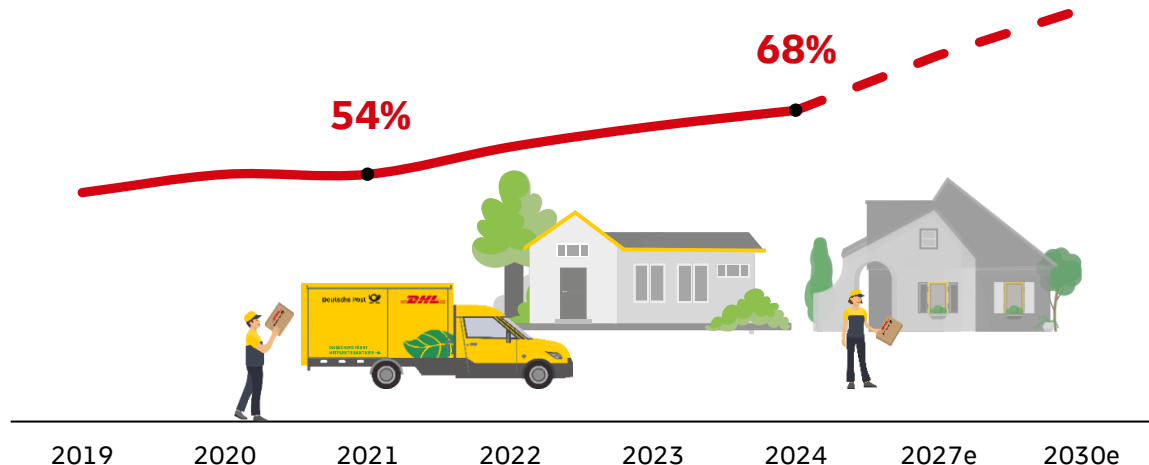
Using joint resources (e.g. vehicle and courier) for last mile delivery for both mail and parcels, particularly in low density areas

### Benefits

- ✓ Resource optimization
- ✓ Further optimisation of model as mail decline continues, e.g., Monday delivery by Parcel network only
- ✓ Cost savings of > €100m p.a. at full run rate

### Joint delivery development

% of all parcels



4

## LAST MILE: OUT-OF-HOME OPTIONS

Scaling out-of-home network in accordance with changing consumer needs



### Retail outlets & parcel shops

~12,700 external partner-operated branches,  
~10,100 DHL parcel shops, ~1,400 sales points

**> 24,000**



### DHL parcel lockers

Receive and send parcels 24/7

**14,200**



### “Open” / carrier-agnostic parcel lockers

DeinFach enables participating parcel service providers to deliver and collect parcels in one stop

**ca. 1,000**  
(Target by end 2025)



### Post stations

24/7 essential products and services station for mail and parcel shipping with video consultation options

**800**

### Benefits

- ✓ Streamline delivery with better density from higher efficiencies in the last mile
- ✓ Higher customer satisfaction due to convenience and flexibility
- ✓ Increase in CO2e efficiency in delivery and reduction of traffic volume
- ✓ Higher market entry barrier for competitors

Target 2030:

**30,000**

**parcel lockers and  
post stations**



# PRODUCTS AND PRICING



~ €17.3bn Revenue FY24

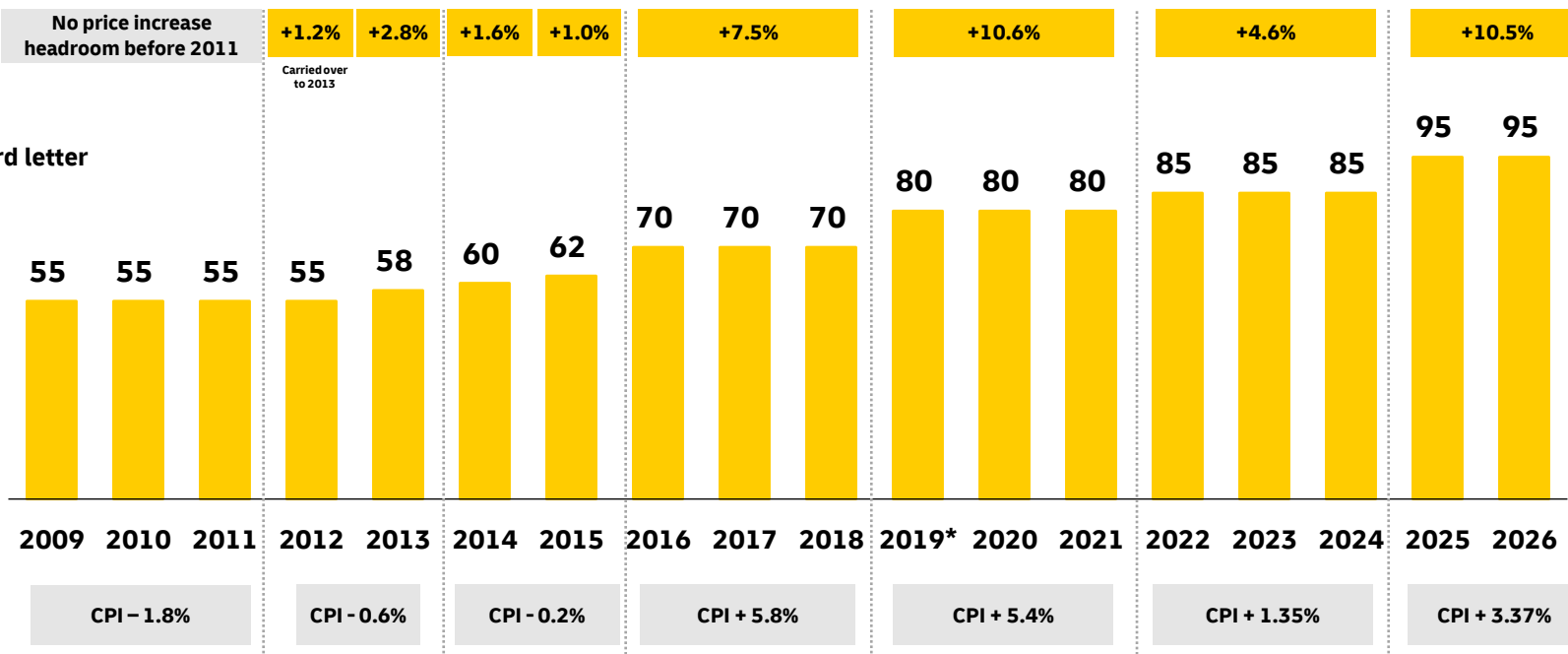
<b>Mail Communication</b> ~ €5.0bn	Business customers	Single price letters - €1.2bn   Partial services - €2.0bn	<div>+10,48%</div> starting Jan 1st 2025 for 2 years
	Private customers	Single price letters - €0.5bn	
	Other - €1.3bn*		Partial annual price adjustments
<b>Dialogue Marketing</b> ~ €1.6bn	Addressed and unaddressed advertisement mailings, campaigns (both digital & physical)		Price adjustment of all products & formats; increasing surcharges and simplification of discount structures
<b>International</b> ~ €2.5bn	In- and outbound Germany shipments		Partial annual price adjustments
<b>Others/ Consolidation</b> ~ €0.9bn	Press, pension services, retail		Introduction of new tariff system
<b>Parcel Germany</b> ~ €7.3bn	Business customers	No. of customers in segments Top ~0.5k   Middle ~20k   Small ~120k	Pricing varies by contracts. Regular general price increases combined with dynamic adjustments of services and surcharges
	Private customers		<div>+7,21%</div> starting Jan 1st 2025 for 2 years

\* e.g. small items eCommerce, Philately, "Postzustellungsauftrag"

# DEVELOPMENT OF STANDARD LETTER STAMP PRICE

Pricing headroom for basket of mail products under regulated price cap

German standard letter price, in € cents

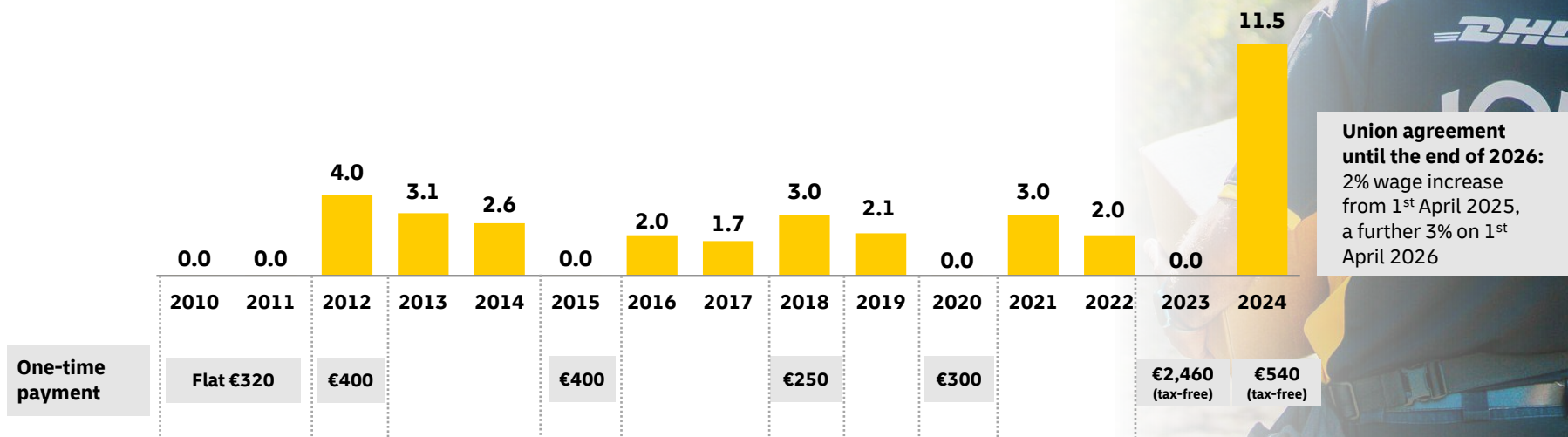


\*implemented from July 1<sup>st</sup> 2019 onwards, taken into account in headroom calculation

\*\*CPI: Consumer price index

# WAGE AGREEMENTS IN GERMANY

Wage increases for P&P Germany employees\*, yoy in %



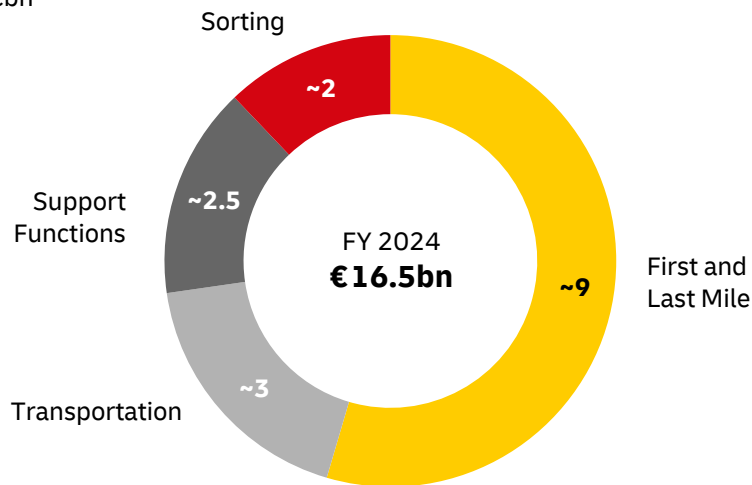
\*applies to ~170,000 Deutsche Post AG tariff employees

# FIT FOR GROWTH: SELF-FUNDED TRANSFORMATION

Dedicated productivity measures reflect network shift from Mail to Parcel

## Cost base

€bn



## Measures under implementation

### First and Last Mile

- Mainly extended joint delivery
- Efficiencies from parcel lockers



### Transportation / Sorting

- Mainly expansion of A/B steering program
- Optimization in middle-haul



### Support Functions

- Lean overhead and simplification
- Digitalization of processes and customer interfaces; self-onboarding and all-in-one platform
- Global sourcing



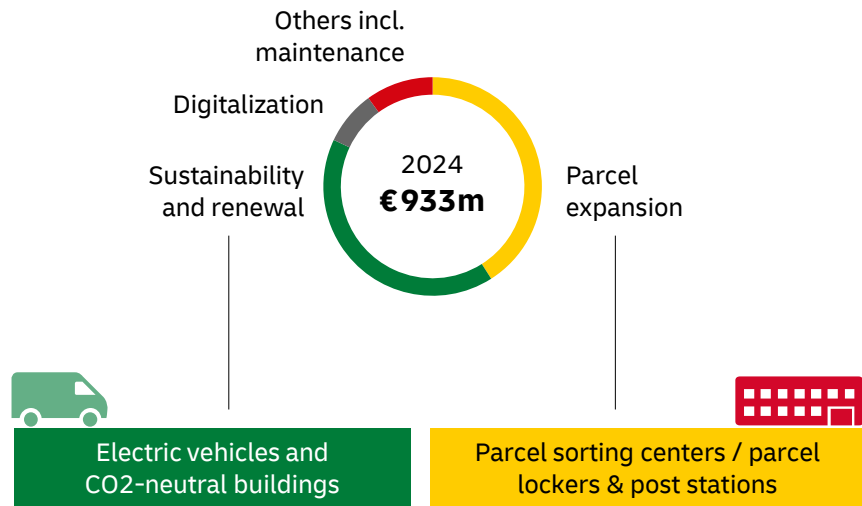


# TARGETED INVESTMENTS TO FACILITATE TRANSFORMATION

Capex discipline supports Free Cash Flow and ROIC turnaround

## Investments focused on parcel growth

### Capex owned assets by type



### Enabling self-financed transformation...

- ✓ **Around €1bn EBIT** coupled with capex control enables P&P to fully cover its cash needs
- ✓ **Transformation is and will be self-financed**, including investments in parcel growth and sustainable infrastructure



### ...and turnaround in ROIC trajectory

#### Levers to increase ROIC

- ✓ **Continue transformation towards parcel-driven EBIT growth** by leveraging rising e-commerce penetration with adequate pricing
- ✓ Continuously **adapt operations to mail volume development**, protecting network utilization and efficiency
- ✓ **Optimize asset utilization through the transformation**, a.o. by expanding joint delivery and A/B steering



# CONTENT



## DIVISIONAL DEEP-DIVES:



# Q2 2025: GROUP P&L AND CASH FLOW






Slower volume momentum effectively managed

<b>Revenue</b>	<b>€19,826m</b> (-4% yoy)
<b>EBIT</b>	<b>€1,429m</b> (+6% yoy)
<b>Net Profit*</b>	<b>€815m</b> (+10% yoy)
<b>Basic EPS</b> (in €)	<b>€0.72</b> (+13% yoy)

\* attributable to DPAG shareholders

<b>Operating Cash Flow</b>	<b>€1,710m</b> (+6% yoy)
<b>Net Capex</b>	<b>-€547m</b> (-9% yoy)
<b>Net M&amp;A</b>	<b>-€253m</b> (<-100% yoy)
<b>Free Cash Flow</b> excl. Net M&A	<b>€329m</b> (-9% yoy)

# DHL GROUP AT A GLANCE (FY 2024)

GROUP	 Express	 Global Forwarding, Freight	 Supply Chain	 eCommerce	 Post & Parcel Germany
Revenue					
€84,186m	€25,134m	€19,649m	€17,693m	€6,962m	€17,347m
EBIT					
€5,886m	€3,084m	€1,074m	€1,068m	€281m	€821m
EBIT Margin					
7.0%	12.3%	5.5%	6.0%	4.0%	4.7%
FTE*					
551,578	109,319	45,640	185,413	39,873	157,337

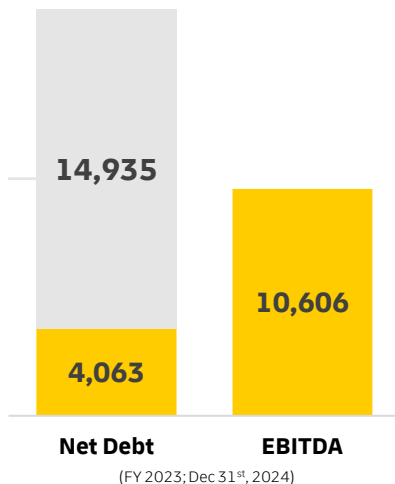
\*average for the year

# BALANCE SHEET AND LIQUIDITY POSITION

Strong financial profile to weather any downturn

**1.8x**

Net Debt / EBITDA  
(Dec 31<sup>st</sup>, 2024)



## LIQUIDITY

No financial covenants on bonds and syndicated credit facility

**€0.8bn**

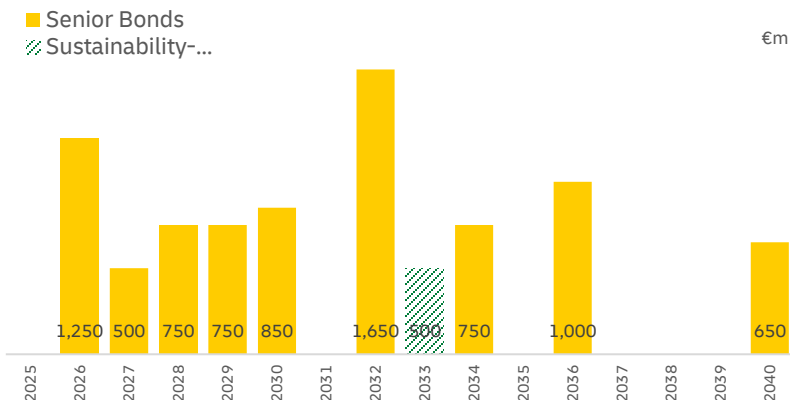
Centrally available liquidity  
(Jun 30<sup>th</sup> 2025)

**€4.0bn**

Syndicated credit facility runs at least until 2030 (undrawn)

## Maturity Profile - Senior Bonds

Average time to maturity 6.3 years



# INVESTOR RELATIONS CONTACT



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