

# GOVERNANCE

## Annual Corporate Governance Statement

pursuant to Sections 289f and 315d HGB with respect to Deutsche Post AG and Deutsche Post DHL Group.

### Declaration of Conformity with the German Corporate Governance Code

Deutsche Post AG once again complied with the suggestions and recommendations of the German Corporate Governance Code in the year under review. The Board of Management and Supervisory Board will continue to do so in the future – with the exception that, on a case-by-case basis, a Board of Management member may assume a chairmanship appointment to the supervisory board of another company in the final months of their term. In December 2021, the Board of Management and Supervisory Board of Deutsche Post AG issued the following declaration of conformity:

“The Board of Management and the Supervisory Board of Deutsche Post AG hereby declare that, since the issuance of the Declaration of Conformity in December 2020, all recommendations of the Government Commission German Corporate Governance Code (DCGK) as amended on 16 December 2019 and published in the Federal Gazette on 20 March 2020 have been complied with and that all recommendations of the code shall be complied with in the future. With a view to recommendation C.5, this does not apply to a Board member who assumes a chairmanship role in the supervisory board of a listed company during the final 12 to 15 months of his or her term.”

Particularly when a Board of Management member steps down after a long term of service, the transition of

that seat is generally known well before the member departs. In some situations, chairmanships of the supervisory boards of other companies are planned before completion of the Board of Management member’s regular term. The Supervisory Board considers it proper for an experienced Board member to assume a supervisory board chairmanship appointment during the final months of his or her term and would like to allow this on a case-by-case basis.

The current Declaration of Conformity and the Annual Corporate Governance Statement along with the Declarations of Conformity for the past five years are available on the company’s website.

### Corporate governance principles and shared values

Our business relationships and activities are based upon responsible business practices that comply with applicable laws, ethical standards and international guidelines, and this also forms part of the Group’s strategy. Equally, we require our suppliers to act in this way. We encourage relationships with our shareholders, our employees and other stakeholders, whose decisions to select Deutsche Post DHL Group as a supplier, employer or investment are increasingly also based upon the requirement that we apply good corporate governance criteria.

As a Group-wide framework of policies and regulations, the  **Code of Conduct** is firmly established within the company and is applicable across all divisions and regions. It takes into account the principles set out in the United Nations (UN) Global Compact and is based upon the Universal Declaration of Human Rights. It is consistent with recognised legal standards, including the applicable anti-corruption legislation and agreements. We adhere to the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. As a long-standing

partner of the United Nations, we also support the UN’s Sustainable Development Goals (SDGs).

The Code of Conduct also defines what is meant by diversity. Diversity and mutual respect are some of the core values that contribute to good co-operation within the Group and thus to economic success. The key criteria for the recruitment and professional development of our employees are their skills and qualifications. The members of the Board of Management and the Supervisory Board support the Group’s diversity strategy, with a particular focus on the goal of increasing the number of women in management.

Doing business includes using our expertise as a service provider in the mail and logistics sector for the benefit of society and the environment, and we motivate our employees to engage personally.

Ensuring that our interactions with business partners, shareholders and the public are conducted with integrity and within the bounds of the law is vital to maintaining our reputation. This is also the foundation of Deutsche Post DHL Group’s lasting business success. Our compliance management system (CMS) focuses on preventing corruption and anti-competitive conduct. Insights gained from compliance audits and reported violations are also used to continually improve and upgrade the CMS system,  **Corporate Governance**.

### Co-operation between the Board of Management and the Supervisory Board, remuneration, retirement ages

Deutsche Post AG is subject to German stock corporation law and has a two-tier board structure comprising the Board of Management and the Supervisory Board.

Members of the Board of Management are responsible for the management of the company. The Board of Management’s rules of procedure set out the principles

governing its internal organisation, management and representation, as well as co-operation between its individual members. The members of the Board of Management manage their board departments independently, except where decisions of particular significance and consequence for the company or the Group must be made by the members of the Board of Management as a whole. They are required to subordinate the interests of their individual board departments to the collective interests of the company and to inform the full Board of Management about significant developments in their spheres of responsibility.

The CEO conducts Board of Management business, aligns board department activities with the company's overall goals and plans, and ensures that corporate policy is implemented. When making decisions, members of the Board of Management may not act in their own personal interest or exploit corporate business opportunities for their own benefit. Any conflicts of interest must be disclosed to the chairs of the Supervisory Board and the Board of Management without delay; the other Board of Management members must also be informed.

The Supervisory Board appoints, advises and oversees the Board of Management. It proposes the remuneration system for Board of Management members to the Annual General Meeting, and – together with the Board of Management – is jointly responsible for the long-term succession planning for the Board of Management.

The current remuneration system for the company's Board of Management was adapted prior to the Annual General Meeting in May 2021 on the basis of new provisions under stock corporation law, new regulations of the German Corporate Governance Code and deliberations with investors, and was approved by the Annual General Meeting with a majority of 93.39% of votes cast.

No member of the Board of Management is a member of a supervisory board of a non-Group listed company or exercises a comparable function. The CEO, Dr Frank Appel, is a member of the supervisory board of Fresenius Management SE. Additionally, he is to be nominated to the annual general meeting of Deutsche Telekom AG for election to its supervisory board; the intention is for him to assume the chairmanship of that body.

The retirement age for Board of Management members defined by the Supervisory Board is generally the year in which the Board of Management member reaches the age of 65. The Supervisory Board defined the retirement age for members of the Supervisory Board in such a way that, for nominations for the election of members of the Supervisory Board, attention shall be paid to the fact that the term of office shall end no later than the close of the Annual General Meeting after the Supervisory Board member reaches the age of 72. As a general rule, Supervisory Board members should not serve more than three terms of office.

The company's D&O insurance for the members of the Board of Management provides for a deductible as set out in the AktG.

The principles governing the Supervisory Board's internal organisation, a catalogue of Board of Management transactions requiring approval and the work of the Supervisory Board committees are governed by the rules of procedure. The Chair elected by the members of the Supervisory Board from their ranks co-ordinates the work of the Supervisory Board and represents the Supervisory Board publicly. The Supervisory Board represents the company in respect of the Board of Management members. Members of the Supervisory Board receive a fixed annual remuneration of €70,000 from the Annual General Meeting, an amount which was last increased in 2014. At this year's Annual General Meeting, we will recommend

increasing this base remuneration to €100,000 annually. The increase is intended to account for greater demands placed on the Supervisory Board in terms of time and workload and remuneration trends at comparable companies. As previously, the remuneration for the Chair of the Supervisory Board increases by 100%, for the Deputy Chair by 50%, for the Chair of a committee by 100% and for committee members by 50%. The contents of the report on remuneration of Board of Management and Supervisory Board members have been audited, and the report can be accessed at the [company's website](#). There are no contracts between the company and Supervisory Board members apart from those governing their Supervisory Board activities and the employment contracts with the employee representatives.

The Supervisory Board meets at least twice each half-year, at least once without the Board of Management present. Extraordinary Supervisory Board meetings are held whenever decisions need to be made at short notice or particular issues require discussion. In the 2021 financial year, Supervisory Board members held five plenary meetings, 21 committee meetings and one closed meeting, as described in the [Report of the Supervisory Board](#). Some of those meetings were held as conference calls due to pandemic-related restrictions. The members of the Supervisory Board without exception attended all meetings of the plenary and the committees where they held seats this year. The attendance rate of 100% is broken down by member in the Report of the Supervisory Board.

The Board of Management and the Supervisory Board regularly discuss the Group's strategy, the divisions' objectives and strategies, the financial position and performance of the company and the Group, key business transactions, the progress of acquisitions and investments, compliance and compliance management, risk exposure and risk man-

agement, and all material business planning and related implementation issues.

The Board of Management informs the Supervisory Board promptly and in full about all issues of significance. The Chair of the Supervisory Board and the CEO maintain close contact about current issues; the Chair of the Finance and Audit Committee regularly discusses important matters with the Board member responsible for Finance, even outside of meetings.

Supervisory Board decisions are prepared in advance in separate meetings of the shareholder representatives and the employee representatives, and by the relevant committees. Each plenary Supervisory Board meeting includes a detailed report regarding the committees' work and the decisions made. Supervisory Board members are personally responsible for ensuring they receive the training and professional development measures they need to perform their tasks. They receive appropriate support from the company in the process. Directors' Day is the core element of this support. In June, Directors' Day covered the topics of the tax situation and internal and external communications of the Deutsche Post DHL Group; in September, it covered the *Lieferkettengesetz* (Supply Chain Act), *Finanzmarktintegritätsstärkungsgesetz* (Financial Market Integrity Strengthening Act) and other current developments in the field of corporate governance.

### **Succession planning for the Board of Management**

Planning for the appointments of the members of the Board of Management is an ongoing process mainly in the remit of the Executive Committee. In the event of an upcoming vacancy, the Executive Committee selects suitable candidates for personal interviews, taking into account specific requirements for experience and qualifications to be met by the members of the Board of Management and,

after discussing this list of candidates, submits it to the Supervisory Board.

Possible successors from within the Group are generally given the opportunity to give a presentation on topics from their own areas of responsibility before the Supervisory Board. This provides the Supervisory Board with a good overview of the capabilities and talents available within the Group. When appointing new members to the Board of Management, the Supervisory Board ensures that the different personalities and skills of the members supplements the Board of Management and that its membership is as diverse as possible. In addition to industry experience and international diversity, gender diversity is also one of the key selection criteria. The initial term of service for members of the Board of Management generally runs for three years.

### **Independence of shareholder representatives on the Supervisory Board**

All Supervisory Board members are independent within the meaning of the German Corporate Governance Code. This exceeds the target of filling the shareholder side with at least 60% independent members.

The largest shareholder in the company, KfW Bankengruppe, currently holds 20.49% of the shares in Deutsche Post AG and therefore does not exercise control. Accordingly, Dr Jörg Kukies and Dr Günther Bräunig are also independent. The same applies for the successor of Dr Günther Bräunig proposed for election to the Supervisory Board, Stefan B. Wintels.

The term of Dr Stefan Schulte, who has been a member of the board for over twelve years, does not affect his independence; it also falls within the framework of the aforementioned maximum of three terms. When determining independence, the assessment must also include consideration of the term length, along with an overall view

of the personality and the duties of the Supervisory Board member, and the conclusion may be reached that other aspects balance out a comparatively longer term of office. A determining factor for the Supervisory Board in considering this overall view is how Dr Schulte confidently asserts his expertise as a financial expert and, particularly as the Chairman of the Financial and Audit Committee, engages the Board of Management in open discussions and critically examines their presentations.

Lawrence Rosen's duties as a member of the company's Board of Management ended on 30 September 2016 and thus do not affect his independence. Rather, it is his knowledge of the company and business operations that make it possible for him to support the Board of Management as a critical advisor and to fully perform the monitoring duties of the Supervisory Board.

No Supervisory Board member exceeds the maximum age limit of 72, holds seats on governing bodies of the Group's main competitors or provides consultancy services to, or maintains personal relationships with, such competitors.

### **Effectiveness of the Supervisory Board's advisory and monitoring duties**

The Supervisory Board carries out an annual review to determine how effectively it discharges its duties. This review is carried out in a Supervisory Board meeting, without the Board of Management, and is based upon a questionnaire at least once every three years. Suggestions made by individual members of the Supervisory Board are also taken up and implemented during the year. In the year under review, the Supervisory Board reviewed the efficiency of its activities in its September meeting. The board concluded that it had performed its monitoring and advisory duties effectively and efficiently. Constructive collaboration within



the Supervisory Board and with Board of Management members in an atmosphere of trust enables duties to be performed in a proper and professional manner.

### **Targets for the composition of the Supervisory Board (skills profile)**

In addition to legal requirements (notably Sections 100 and 107 AktG), the composition of the Supervisory Board is guided by recommendation C.6 of the German Corporate Governance Code (DCGK). The Supervisory Board last updated the targets for its composition in December 2021, when it added competent advising on the topic of sustainability issues. Overall, the Supervisory Board set the following targets for its composition which also reflect the skills profile it aspires to have:

- ➊ When proposing candidates to the Annual General Meeting for election as Supervisory Board members, the Supervisory Board is guided purely by the best interests of the company. Subject to this requirement, the Supervisory Board aims to ensure that the independent group of shareholder representatives as defined in C.6 of the German Corporate Governance Code accounts for at least 60% of the Supervisory Board, and that at least 30% of Supervisory Board members are women.
- ➋ The Supervisory Board's future proposals to the Annual General Meeting will continue to consider candidates whose origins, education or professional experience equip them with international knowledge and experience.
- ➌ The Supervisory Board should collectively serve as a competent advisor to the Board of Management on future issues, in particular digital transformation and sustainability issues.
- ➍ The Supervisory Board should collectively have sufficient expertise in the areas of accounting and financial

statement audits. This includes knowledge of international developments in the field of accounting. Additionally, the Supervisory Board believes that the independence of its members helps guarantee the integrity of the accounting process and ensure the independence of the auditors.

- ➎ Conflicts of interest affecting Supervisory Board members are an obstacle to providing independent advice to, and supervision of, the Board of Management. The Supervisory Board will decide how to deal with potential or actual conflicts of interest on a case-by-case basis, in accordance with the law and giving due consideration to the German Corporate Governance Code.
- ➏ In accordance with the age limit adopted by the Supervisory Board and laid down in the rules of procedure for the Supervisory Board, proposals for the election of Supervisory Board members must ensure that their term of office ends no later than the close of the next Annual General Meeting to be held after the Supervisory Board member reaches the age of 72. As a general rule, Supervisory Board members should not serve more than three full terms of office.

The current Supervisory Board meets these targets and fulfils this skills profile. The Supervisory Board took such targets and the skills profile into account in the election proposals it made to the 2021 Annual General Meeting. It will do the same with respect to the election proposal to be made to this year's Annual General Meeting.

### **Board of Management and Supervisory Board committees**

Business review meetings are held on a quarterly basis for each division, attended by representatives of management from the respective division, once with the entire Board of Management and the other three times with the CEO and

CFO. Additionally, quarterly review meetings are held for the cross-divisional functions with the CEO and CFO as well as representatives of management.

The review meetings involve discussions of strategic initiatives, operational matters and the budgetary situation in the divisions. In addition, all of the Board of Management departments have Board committees where decisions are made on the fundamental strategic orientation of the respective department and prominent topics. Finally, the responsible Board departments resolve on investment, real estate and M&A plans within certain threshold limits using defined decision-making and approval processes.

The members of the Supervisory Board's committees prepare the resolutions to be taken in the plenary meetings and fulfil the duties assigned to them by the law, the company's Articles of Association and the rules of procedure for the Supervisory Board.

The Executive Committee prepares the resolutions to be taken in the plenary meetings regarding the appointment of members to the Board of Management, preparation of their service agreements (including remuneration), the system for remunerating Board of Management members, the establishment of variable remuneration targets, the establishment of variable remuneration according to degrees of target achievement and the review of the appropriateness of Board of Management remuneration. In addition, it regularly focuses on long-term succession planning for the Board of Management.

The Finance and Audit Committee reviews the company's accounts and oversees its accounting process and the effectiveness of the internal control system, the risk management system and the internal audit system, as well as the audit of the annual financial statements, in particular with respect to audit quality and the independence of the auditors. It prepares the proposals of the Supervisory

Board to be made to the Annual General Meeting concerning the appointment of the audit firm and is responsible for carrying out the selection process. The Finance and Audit Committee, moreover, deals with the audit of the non-financial statement. If the auditor is to be engaged to perform non-audit services, the committee must also approve any such engagement. It examines corporate compliance and discusses the half-yearly financial reports and the quarterly statements with the Board of Management prior to their publication. Based upon its own assessment, the committee submits proposals for the approval of the annual and consolidated financial statements to the Supervisory Board. As required, the Finance and Audit Committee is also responsible for issuing findings on the required Supervisory Board approvals of significant transactions between the company and related parties.

As previously described, the Chair of the Finance and Audit Committee, Dr Stefan Schulte, is independent and an expert both in the accounting area as well as in the auditing of financial statements as defined in Sections 100(5) and 107(4) AktG and in D.4 of the German Corporate Governance Code. Besides Dr Stefan Schulte, Simone Menne – also a member of the Finance and Audit Committee – and Lawrence Rosen are also independent and possess expertise in the areas of accounting and auditing of financial statements.

An agreement has been reached with the auditor that the Chair of the Supervisory Board and the Chair of the Finance and Audit Committee will be informed without delay of any potential grounds for exclusion or for impairment of the auditors' independence that arise during the audit, to the extent that any such grounds for exclusion or impairment are not immediately remedied. In addition, it has been agreed that the auditor will inform the Supervisory Board without delay of all material findings and in-

## Committees of the Supervisory Board

### Executive Committee

Dr Nikolaus von Bomhard (Chair)  
Andrea Kocsis (Deputy Chair)  
Ingrid Deltenre  
Thomas Held  
Thorsten Kühn  
Dr Jörg Kukies

### Personnel Committee

Andrea Kocsis (Chair)  
Dr Nikolaus von Bomhard (Deputy Chair)  
Ingrid Deltenre  
Mario Jacubasch (since 15 September 2021)  
Thomas Koczelnik (until 31 August 2021)

### Finance and Audit Committee

Dr Stefan Schulte (Chair, independent and expert in the areas of accounting and auditing of financial statements as defined in Sections 100(5) and 107(4) AktG and D.4 German Corporate Governance Code)  
Stephan Teuscher (Deputy Chair)  
Thomas Koczelnik (until 31 August 2021)  
Dr Jörg Kukies  
Simone Menne (independent and expert in the areas of accounting and auditing of financial statements as defined in Sections 100(5) and 107(4) AktG and D.4 of the German Corporate Governance Code)  
Yusuf Özdemir (since 15 September 2021)  
Stefanie Weckesser

### Strategy and Sustainability Committee

Dr Nikolaus von Bomhard (Chair)  
Andrea Kocsis (Deputy Chair)  
Dr Günther Bräunig  
Thomas Held (since 15 September 2021)  
Dr Heinrich Hiesinger  
Thomas Koczelnik (until 31 August 2021)  
Stephan Teuscher

### Nomination Committee

Dr Nikolaus von Bomhard (Chair)  
Ingrid Deltenre  
Dr Jörg Kukies

### Mediation Committee (pursuant to Section 27(3) German Co-determination Act)

Dr Nikolaus von Bomhard (Chair)  
Andrea Kocsis (Deputy Chair)  
Dr Heinrich Hiesinger  
Thorsten Kühn

cidents occurring in the course of the audit. Furthermore, the auditor must inform the Supervisory Board if, whilst conducting the financial statement audit, any facts are found leading to the Declaration of Conformity issued by

the Board of Management and Supervisory Board being incorrect. The Chair of the Finance and Audit Committee and the auditor regularly exchange information both at meetings and at other times. The Finance and Audit

Committee regularly reviews the quality of the financial statement audit. Both in the meeting of the Finance and Audit Committee held in preparation for the financial statements meeting as well as in the meeting of the plenary where the company and consolidated financial statements are approved, the members of the Supervisory Board closely examine the contents and the processes of the financial statement audit.

The duties of the Strategy Committee were expanded by resolution of the Supervisory Board in December 2021 to include regularly addressing sustainability-related topics (environment, social, governance – ESG). The committee was renamed the Strategy and Sustainability Committee. In addition to dealing with ESG topics, the Strategy and Sustainability Committee prepares the Supervisory Board's strategy discussions and regularly discusses implementation of the strategy and the competitive position of the enterprise as a whole and of the divisions. In addition, it does preparatory work on corporate acquisitions and divestitures that require the Supervisory Board's approval. In the year under review, this was the acquisition of the J.F. Hillebrand Group stock corporation.

The Nomination Committee presents the shareholder representatives of the Supervisory Board with recommendations for shareholder candidates for election to the Supervisory Board at the Annual General Meeting.

The Personnel Committee discusses human resources principles for the Group.

The Mediation Committee carries out the duties assigned to it pursuant to the MitbestG: it makes proposals to the Supervisory Board on the appointment of members of the Board of Management in those cases in which the required majority of two-thirds of the votes of the Supervisory Board members is not reached. The committee did not meet in the past financial year.

Further information about the work of the Supervisory Board and its committees in the 2021 financial year is contained in the **Report of the Supervisory Board**. The members of the Supervisory Board and all additional offices held by them as well as the members of the Board of Management and all additional offices held by them can be found in **Boards and Committees**. Board members' curriculum vitae, information about their qualifications and the terms of their current appointments are also published on our **website**. The website also has current curriculum vitae of the shareholder representatives on the Supervisory Board along with information on their professional occupation, the length of their membership on the Supervisory Board and the duration of their current term of office.

## Diversity

During succession planning and the selection of members for the Board of Management, the Supervisory Board pays close attention to ensuring that they contribute to the profile of the Board of Management as a whole in terms of their qualifications, abilities and experience. Long-term succession planning in all divisions guarantees that there will be sufficient qualified internal candidates to fill Board of Management positions in future. The early promotion of women in the company also plays a key role. The Second Leadership Positions Act stipulates that, from 1 August 2022, listed companies to which the German Co-determination Act applies and with more than three

board of management members are subject to a participation requirement of at least one woman and at least one man. Deutsche Post AG already complies with this participation requirement. Additionally, the Supervisory Board had approved a target for the proportion of women on the Board of Management of 2:8 by the 2021 Annual General Meeting. The Supervisory Board confirmed this

target – initially not yet met – and approved a percentage of women on the Board of Management of 25%, exceeding the statutory participation requirement, to be reached by the end of 2024. With the appointment of Nikola Hagleitner as the Board member for the Post & Parcel Germany division, a second woman will be on the Board of Management beginning in July 2022 along with Melanie Kreiss.

For the target period beginning 1 January 2020, the Board of Management set a target of 30% for the percentage of women at Deutsche Post AG at both executive tiers below the Board of Management. We aim to meet these targets by 31 December 2024. The two executive tiers are defined on the basis of their reporting lines: tier 1 comprises executives assigned to the N-1 reporting line; the share of women here was 27.5% as at 31 December 2021. Tier 2 consists of executives from the N-2 reporting line; the share of women here was 28% as at 31 December 2021. The company intends to increase the share of women in management globally and has therefore set itself the goal of increasing the percentage of women in middle and upper management to 30% by 2025. This figure has risen continually in recent years and stood at 25.1% as at 31 December 2021.

The diversity criteria important to the Supervisory Board when considering its own composition are outlined in the list of its goals. With a proportion of women of 35%, the Supervisory Board has exceeded its own target of 30%, which also reflects the minimum statutory requirement.

## Shareholders and Annual General Meeting

Shareholders exercise their rights, and in particular their right to receive information and to vote, at the Annual General Meeting. Each share in the company entitles the holder to one vote. The agenda with the proposed resolutions for the Annual General Meeting and additional information will be made available on the company website at the latest

when the Annual General Meeting is convened. A detailed CV is published for each Supervisory Board candidate put forth for election. We assist our shareholders in exercising their voting rights not only by making it possible to submit postal votes but also by appointing company proxies, who cast their votes solely as instructed by the shareholders. Additionally, shareholders can authorise company proxies and submit postal votes via the online service offered by the company. Due to the pandemic, the 2021 Annual General Meeting was also held online in line with the applicable statutory provisions. Shareholders were able to submit their questions online up to one day prior to the AGM. They were able to vote either by absentee ballot or by authorising a company proxy to vote in their place. In light of the steadily high numbers of infections, the plan is for the 2022 Annual General Meeting to once again be held as a virtual event.

The remuneration system applied to Board of Management members must be presented to the Annual General Meeting for approval whenever there are significant changes, or at least every four years; the four-year interval also applies to the remuneration of the Supervisory Board members. The 2021 Annual General Meeting approved the Board of Management remuneration system with 93.39% and the Supervisory Board remuneration with 99.46% of the votes cast in favour. The Board of Management remuneration system and the resolution of the Annual General Meeting on the remuneration of Supervisory Board members can also be accessed on the [company's website](#). Information regarding the remuneration of the individual members of the Board of Management and the Supervisory Board can be found in the remuneration report, which is a part of the convocation to the 2022 Annual General Meeting. In accordance with Section 162 AktG, the remuneration report and the auditor report will also be available on our [website](#).

## Disclosures required by takeover law

Disclosures required under Sections 289a and 315a HGB and explanatory report.

### Composition of issued capital, voting rights and transfer of shares

As at 31 December 2021, the company's share capital totalled €1,239,059,409 and was composed of the same number of no-par-value registered shares. Each share carries the same rights and obligations stipulated by law and/or in the company's Articles of Association and entitles the holder to one vote at the Annual General Meeting (AGM). There are no shares with special rights conveying powers of control.

The exercise of voting rights and the transfer of shares are based upon statutory provisions and the company's Articles of Association, which place no restrictions on the exercise of voting rights or transfer of shares. Under the Employee Share Plan share-based remuneration programme, stocks are subject to time-related trading restrictions during the two-year holding period. As at 31 December 2021, Deutsche Post AG held a total of 15,247,431 treasury shares, which are excluded from rights for the company in accordance with Section 71b of AktG.

### Shareholdings exceeding 10% of voting rights

KfW Bankengruppe (KfW), Frankfurt am Main, is our largest shareholder, holding 20.49% of the share capital. The Federal Republic of Germany holds an indirect stake in Deutsche Post AG via KfW.

## Appointment and replacement of members of the

### Board of Management

The members of the Board of Management are appointed and replaced in accordance with the relevant statutory provisions (cf. Sections 84 and 85 AktG and Section 31 *Mitbestimmungsgesetz* (MitbestG – German Co-Determination Act)). Article 6 of the Articles of Association stipulates that the Board of Management must have at least two members. Beyond that, the number of Board members is determined by the Supervisory Board.

### Amendments to the Articles of Association

In accordance with Section 119 (1), Number 6, and Section 179 (1), Sentence 1 AktG, amendments to the Articles of Association are adopted by resolution of the AGM. In accordance with Article 21 (2) of the Articles of Association in conjunction with Sections 179 (2) and 133 (1) AktG, such amendments generally require a simple majority of the votes cast and a simple majority of the share capital represented on the date of the resolution. In such instances where the law requires a greater majority for amendments to the Articles of Association, that majority is decisive.

### Board of Management authorisation, particularly regarding the issue and buy-back of shares

The Board of Management is authorised, subject to the consent of the Supervisory Board, to issue up to 130,000,000 new no-par-value registered shares (2021 Authorised Capital). Details may be found in Article 5(2) of the Articles of Association. The Articles of Association are available on the [company's website](#) and in the electronic company register. They may also be viewed in the commercial register of the Bonn Local Court.

The Board of Management has furthermore been authorised by resolution of the AGMs of 28 April 2017 (agenda



item 7), 24 April 2018 (agenda item 6) and 27 August 2020 (agenda items 7 and 8) to issue Performance Share Units (PSUs). The authorisation resolutions are included in the notarised minutes of the AGM, which can be viewed in the commercial register of the Bonn Local Court. In order to service both current PSUs and those yet to be issued, the AGM approved contingent capital increases. Details may be found in Article 5 of the Articles of Association. As at 31 December 2021, the PSUs already issued conferred rights to up to 28,613,021 Deutsche Post AG shares, assuming the conditions are met. Under the authorisations granted, up to 47,575,636 additional PSUs may still be issued.

The AGM of 6 May 2021 authorised the company to buy back shares on or before 5 May 2026 up to an amount not to exceed 10% of the share capital existing as at the date of adoption of the resolution. Further details, including the option of using the treasury shares acquired on that basis or on the basis of a preceding authorisation, may be found in the authorisation resolution adopted by the AGM of 6 May 2021 (agenda item 8). In addition, the AGM of 6 May 2021 authorised the Board of Management to buy back shares within the scope specified in agenda item 8, including through the use of derivatives (agenda item 9). The company repurchased 17,694,910 shares in the financial year based upon that authorisation resolution and, together with the shares repurchased on the basis of the previous authorisation of 28 April 2017, repurchased a total of 20,314,969.

**Significant agreements that are conditional upon a change of control following a takeover bid and agreements with members of the Board of Management or employees providing for compensation in the event of a change of control**

Deutsche Post AG holds a syndicated credit facility with a volume of €2 billion under an agreement entered into with a consortium of banks. If a change of control within the meaning of the agreement occurs, each member of the bank consortium is entitled, under certain conditions, to cancel its share of the credit facility as well as its share of any outstanding loans and to request repayment. The terms and conditions of the bonds issued under the Debt Issuance Programme established in March 2012 and those of the convertible bond issued in December 2017 also contain change-of-control clauses. In the event of a change of control within the meaning of those terms and conditions, creditors are, under certain conditions, granted the right to demand early redemption of the respective bonds. Finally, Deutsche Post AG has concluded a factoring agreement providing for a maximum volume of €70 million in connection with distribution partnerships. The factoring agreement can be terminated without notice in the event of a change of control as defined in the agreement. The factoring agreement expires during the first quarter of 2022.

In the event of a change of control, any member of the Board of Management is entitled to resign their office for good cause within a period of six months following the change of control after giving three months' notice to the

end of a given month, and to terminate their Board of Management contract (right to early termination). The former severance payment claim previously provided for in the event of the exercise of the right to early termination no longer applies from the 2021 financial year. With regard to the Annual Bonus Plan with Share Matching for executives, the holding period for the shares will become invalid with immediate effect in the event of a change of control of the company. The participating executives will receive the total number of matching shares corresponding to their investment (or a cash equivalent) in due course. In such a case, the employer will be responsible for any tax disadvantages resulting from a reduction of the holding period. Taxes normally incurred after the holding period are exempt from this provision. Under the Employee Share Plan, if a change of control occurs, any amounts that have already been invested and for which shares have yet to be delivered are reimbursed. Effective immediately, the holding period is waived for shares that have already been granted.