

Annual General Meeting

Deutsche Post DHL Group

Address, Dr. Frank Appel, CEO

Bonn – May 6, 2022

Check against delivery

**Deutsche Post DHL
Group**



Dr. Frank Appel

CEO

Deutsche Post DHL Group



Dear Shareholders,

Dear Viewers,

Greetings from Bonn – here in our Post Tower headquarters. Once again online – we’re certainly all used to streaming by now. Wherever you are, this format allows us to

welcome you all to our event live. And we're certainly looking forward to talking with you today.



I imagine the events of recent months have had a similar effect on us all. After a long coronavirus winter, we had looked forward to a carefree summer. To a time when the pandemic no longer posed such a threat. We longed to get back to normality, and for a sense of lightness to return to our lives.

Unfortunately, things didn't turn out that way. The pandemic is still with us. And a new crisis has emerged. Not just a crisis, but a war. A war we strongly condemn.

The news has shaken us to the core. Pictures of Russian tanks on the streets in Ukraine. Of a war that has already seen thousands of people killed and millions forced to flee.

Those images left us shocked and shaken. As they still do today.

Our thoughts and deepest sympathy are with those who have lost their loved ones.

Those who have fled or become displaced. Those separated from their families. Those who are no longer able to live in peace.

We have many questions: When will peace return? What will the ramifications of this war be?

And for many of these questions, we don't yet have the answers. The world we live in appears turbulent and unpredictable. A new time of uncertainty.

But in the midst of this uncertainty, one thing we're sure of is that Deutsche Post DHL Group is able to adapt when things get tough. We are resilient and robust. This is something we've demonstrated again in the past year. 2021 was one of the most important years in our company's history.



Since 2020, the logistics sector has demonstrated even more clearly just how indispensable it is. Countries around the globe were constantly battling with new coronavirus variants. But logistics kept the world turning in these difficult times. Logistics ensured stable supply chains and availability of supplies – often under the most challenging conditions. And that people, companies and entire countries were able to adapt.

People now see the logistics sector in a completely different light. Before the pandemic, seamless supply chains and logistics were largely taken for granted. Today, we spark curiosity, interest and admiration. We're now a topic of conversation. Among managers, in the media and at the breakfast table.

When times get tough, a spotlight is shone on the role that logistics play. You could compare it to the human pulse. Hardly noticed as we go about daily life, yet crucial to our survival. Something we rely on.

With every new day and every delivery, logistics keep the world turning. Ensuring stability, prosperity and growth. Even promoting human health. Providing opportunity and new perspectives. As the backbone of global trade.

In times of global crisis, a company like ours must do more than continue to operate as usual. We have a mandate. We can make a difference. We fulfil a social task.

In 2021, the global exchange of goods reached record highs. Despite the pandemic, which only a year before had triggered a massive economic slump. E-commerce helped the economy recover, achieving a new level during that time. Growth that would otherwise have taken years to achieve was seen in a matter of months. All made possible by logistics.



As the global market leader, in times like these we stand center stage. During the pandemic, Deutsche Post DHL Group not only stayed on course. We surpassed expectations. And – more importantly – we made a difference.

This is where there's one particular milestone we're especially pleased to have reached. At the start of the year, we passed the 2 billion mark in the number of coronavirus vaccine doses we delivered around the world. In fact, we are now at around the 2.5 billion mark. We've delivered vaccines to 177 countries all told. That's a unique achievement in the sector. Logistically, such deliveries are extremely demanding, as you can no doubt imagine. Especially where remote regions are concerned. Vaccines are highly sensitive freight. To maintain the necessary cold chains, we must be extremely reliable.

Successes like these really bring our company's purpose to light – that of connecting people, improving lives. As the pandemic is unfortunately still with us, we'll continue to be needed on that front.



Be it vaccines, food, spare parts or smartphones – during the pandemic we ensured supplies arrived where they were needed. Day in and day out. To people’s homes, businesses, hospitals and warehouses. In more than 220 countries and territories worldwide. We’ve passed the most arduous of stress tests – delivering not just goods, but also hope, happiness and continuity.

The pandemic made supply chains more complex. As the market leader, we were the perfect logistics partner. We cover the entire spectrum of logistics services. We could do things that others could not. No other company in the sector has a similar global presence or the networks to match. We can reach almost anywhere in the world quickly and reliably. And we have solutions for all logistics needs. That makes us attractive and robust.

The level of satisfaction shown by our customers speaks for itself. Compared with pre-pandemic levels, it’s increased across all of our divisions. Quite significantly in some respects.

In the past year, we've shown once again that – whatever the situation – we're reliable. That's why we'll be able to navigate the current global situation on a stable footing. Our global networks are intact. Our supply chains work. For our customers, we continue to be their provider of choice.

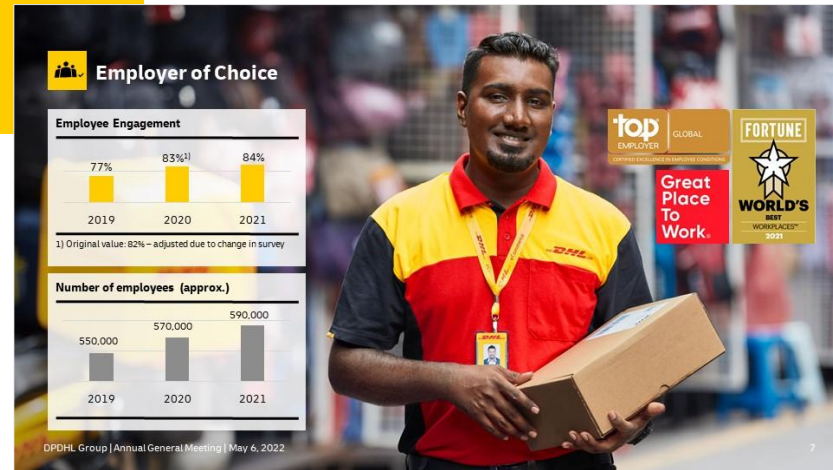


The successes we've achieved in the past year are the result of a combined team effort. Our thanks go to our employees around the world. For their untiring commitment in a particularly challenging year.

They knew how much we were needed. That we could make a difference in serving the world. They rose to the challenge. Acted wisely and prudently. Came up with creative ideas – finding smart solutions in the face of complex logistics needs.

Many things would not have been possible without their tremendous energy, passion and team spirit. I have great respect for the outstanding performance they have shown.

By way of recognition, we have paid a special EUR 300 corona bonus to our employees all around the world. We did the same the year before. Especially in less-wealthy countries, this really means a lot.



We measure employee satisfaction each year as part of a global survey. And we have reason to be pleased. Employee Engagement has risen again – to 84%. That’s a record. The highest rate achieved since the survey began.

Our employees identify strongly with our company. This is important to us because they are our most valuable asset. Their engagement forms the basis for our success. Only motivated employees deliver excellent service and keep customers coming back.

That’s why we strive to provide a positive and inspirational place to work. That our efforts are paying off is also evident in our recent cluster of awards:

In October 2021, DHL Express was recognized as the best place to work in the world. By the “Great Place to Work” institute and “Fortune” magazine. That’s something we can be very proud of. For the ranking, employees take part in a confidential survey that assesses their experience at work. Questions cover things like respect, team spirit, working conditions and employer credibility. In 2017, we ranked eighth. This was already a great success for us, but now we rank first – right at the top of the list.

In January this year, we received “Top Employers Institute” recognition in several countries for the outstanding conditions we offer our employees. Our Global Forwarding, Freight and Express divisions also received the “Top Employer Global” award, picking up especially good ratings for our leadership and corporate culture. Not to mention our business and HR management strategies.

Our standing as an employer of choice was thus further cemented. This corresponds with our own aspiration: We want to recruit skilled and engaged people. Continuously develop them. And retain them for the longer term.

There’s hardly another company in the world with a workforce of similar size: At the end of 2021, we had around 590,000 employees. Compared with the previous year, that means another 20,000 people chose Deutsche Post DHL Group as their employer. And compared with 2019, we’ve created more than 40,000 new jobs.



So, how do we manage to keep our employees satisfied and engaged? The key lies in our corporate culture. It forms our foundation, makes us strong – and is crucially

important. It's the reason why our employees like coming to work. Take ownership of what they do. Only with an exemplary corporate culture will we win the race for talents.

We've put a lot of work into developing our corporate culture. So that today, common values connect us across our business units and borders. They define how we act. We call it our Common DNA. And we wear it with conviction on our company jackets and shirts that bear the message: "We are one".

That this is more than just a slogan is not least demonstrated by our internal relief fund "We help each other". Supported by donations from employees for employees, the fund provides financial assistance to colleagues affected by disasters around the world. Currently, we're receiving countless requests for assistance as a result of the war in Ukraine. The overwhelming response in offering help shows once again how we step up and pull together.



One particular area of focus is our leadership culture, shaped by Head, Hearts and Guts. We introduced this over five years ago as a practical guide for our management staff.

We wanted to create an environment where employees give their best each day and feel they are valued and have purpose.

It has certainly served us well in the pandemic. Showing leadership can sometimes be difficult, not least in times of crisis. There are more questions than usual. As well as more stress and more uncertainty. Our leadership principles have served as an invaluable compass.

I also follow these guidelines – as does the entire management team.



As you know, there are a number of changes coming up in the Board of Management composition:

- Tobias Meyer, currently CEO Post & Parcel Germany, will take over some of my responsibilities from July. He will then take over as my successor following the Annual General Meeting next year.
- Nikola Hagleitner will move into Tobias Meyer's position as of July. Currently, she is Chief Sales Officer at Post & Parcel Germany.
- And from August, Pablo Ciano will take over as CEO eCommerce Solutions. Currently EVP Corporate Development and Strategy, he succeeds Ken Allen on

his retirement. Here, I'd like to take this opportunity to express my gratitude to Ken. Without his fantastic leadership, we wouldn't be where we are today.

We all want to ensure that our corporate culture lives on. The successors I've named are ideally suited to achieve this. Not least because they are all internal candidates who have been with the company for years.



Our performance last year can be seen in our strong financial results. 2021 was the best financial year ever at Deutsche Post DHL Group. We even surpassed the previous year's results – that was also a record year.

While the war in Ukraine means that we are not in the mood for celebration, we can proudly report that Deutsche Post DHL Group has reached new heights:

- EBIT amounted to EUR 8.0 billion. Up by around two-thirds over the previous year. And exceeding the latest forecast.

- The EBIT margin stood at 9.8%. Also a significant increase compared with the previous year. The Group was more profitable than it's ever been.
- We also made a leap as regards free cash flow, which is also up by around two-thirds, to EUR 4.1 billion. And despite the fact that we invested more in our networks than we did in the previous year.

This means we're in the best financial shape of our history.

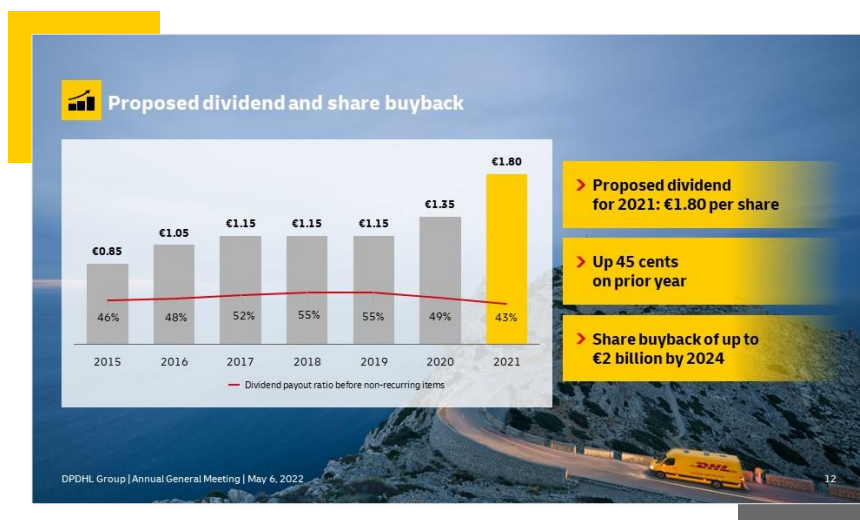
All five divisions contributed to these strong results.

- Our **Express** division saw EBIT increase by more than half – to EUR 4.2 billion. In 2021, time-critical deliveries, the core business at Express, were more important than ever before. Thanks to our fleet of more than 300 aircraft, we were able to reliably meet the huge demand in countries around the world.
- 2021 was also an extremely successful year for **Global Forwarding, Freight**. EBIT more than doubled – to EUR 1.3 billion. With freight market capacities tight, the division benefited from its position as market leader for both air freight and ocean freight – and from its new digital customer portal, myDHLi.
- **Supply Chain** saw EBIT rise by almost two-thirds – to EUR 705 million. A lot of new business was won in the e-commerce and life sciences sectors. Investments made in digital projects and automation also made us more efficient.
- **eCommerce Solutions** more than doubled its EBIT – to EUR 417 million. This was largely due to growth in online trade. During the pandemic, many businesses saw a rapid upturn in their online sales. Others turned to offering their products online for the first time. And many consumers ordered more online than they did before.
- **Post & Parcel Germany** also saw a significant rise in EBIT – by about 10%, to EUR 1.7 billion. Mail volumes remained largely constant after the decline in the

previous year. But then we shipped more parcels than we've ever done before. It's a trend we've been seeing for some time. Mail business is declining, while parcel volumes have grown.

What this all shows is that when faced with challenging times, we demonstrated our full strength. Joining forces across the divisions, working together as one.

This year also got off to a successful start for us: The first quarter of 2022 saw our EBIT rise to EUR 2.2 billion. In the same period last year that figure was EUR 1.9 billion. This shows that even in the face of the current global situation, we are able to deliver the best solutions for our customers. And we remain resilient.



You, our shareholders, profit from these results. Our dividends are also taking a leap. The Board of Management and the Supervisory Board are proposing EUR 1.80 per share for your approval. That's 45 cents more than in the previous year.

At that price, we'd be distributing 43% of our net profit to our shareholders. This is in line with our financial strategy, which provides for between 40% and 60%. If you agree, dividend payments will be made on May 11.

We have also decided to buy back shares – in an amount of up to EUR 2 billion between 2022 and 2024. In 2021, we bought back shares worth EUR 1 billion. As an expression of our confidence in the company's strength.



Our achievements in these testing times are reflected in our share price. This chart shows the trend from the end of 2019 to May 5 this year compared with the DAX. In this period, we have achieved returns of 17.5%.

In March 2020, we saw the markets collapse in response to the pandemic. After that, our share price approximately tripled in the space of around 18 months. Reaching an all-time high of EUR 60.87 in September 2021. As seen with the DAX, at the end of February share prices fell again in response to the war in Ukraine.

Overall, we continue to outperform the DAX in the aforementioned period: Our return on investment is 12.6 percentage points higher.

Financial targets 2022

(€ bn)	Guidance 2022
Group EBIT	8.0 (+/- 5%)
DHL divisions	7.0 (+/- 4%)
P&P	1.5 (+/- 10%)
Group Functions	~0.45
Free Cash Flow	3.6 (+/- 5%)

DPDHL Group Annual General Meeting | May 6, 2022

Of course, the question that everyone is asking right now is how the war in Ukraine will affect the global economy and the transport markets. That's a difficult one to answer, but we're monitoring the situation closely. We're keeping to our previous outlook for the remainder of 2022.

Our forecast remains positive, based again on our new record high. Once again, we expect to match the previous year's EBIT – about EUR 8.0 billion. In our DHL divisions we expect EBIT to reach around EUR 7.0 billion. At Post & Parcel Germany, that figure should be around EUR 1.5 billion. We also expect free cash flow in 2022 to reach a very high level again – around EUR 3.6 billion.

We're assuming here that online retail will remain strong. And that, following a phase of normalization, it will see yet further growth – but not at the same rapid rate seen in the recent past. We don't expect to see the global transport markets ease before next year.



So, what it is that makes our company so successful, even in particularly challenging years? Today more than ever, we are reaping the benefits of Strategy 2025. We presented it back in 2019, before the pandemic broke out. That meant we were well prepared and able to grasp the opportunities that came our way. This model shows how the Strategy's key components play out.

It has three main pillars: We want to remain Employer, Provider and Investment of Choice. Our divisions concentrate on their profitable core business. All of this being done in an increasingly digital, sustainability-focused world.

These are the goals that keep us on course. Strategy 2025 cements our market leader position, making us resilient and robust. Even in a turbulent and ever-changing world. That's why we continue to execute its goals and objectives as part of a disciplined and dedicated approach.

What remains important is that we use our vast experience and expertise to identify obstacles at an early stage. That we remain attentive, forward-looking and agile. That instead of being satisfied with the successes we've achieved, we continue to listen

carefully to our customers' needs. And that we continuously develop and improve the great company we have built.



All of this relies on our stable foundation. One that ensures we retain our market leader position and can weather any storm. That's why we're investing in strategically important fields of the future.

Last year, we invested a record sum amounting to EUR 3.9 billion. Much of that was spent on modern aircraft for DHL Express and on our parcel infrastructure. We want to provide customers with the best-possible service now and in the future. This year, we'll be investing as much as around EUR 4.2 billion. That we're able to do so is thanks to our strong financial results.



Sustainability plays a key role in all of our investment plans. Currently the war in Ukraine and the pandemic are occupying our thoughts. Still we mustn't ignore the challenges surrounding climate change. It remains one of the most pressing problems facing humanity today. Our planet has reached a critical point in time.

As a logistics service provider, we have a responsibility towards the environment and nature. That's why we're pressing ahead with our portfolio of green solutions. With ambitious targets. Large investment sums. And the full power of our conviction. We want to retain our pioneering role and help to build a better world. This, too, is a path to business growth for us. It reinforces our competitive stance.


We're keeping to our target of reducing our greenhouse gas emissions to net zero by 2050. But sustainability is also an integral part of Strategy 2025. That's why we set some strict interim targets last year, defining concrete measures and KPIs. These are what we'll be using to measure our success.

By 2030, we'll invest up to EUR 7 billion to significantly reduce our greenhouse gas emissions. That gives us around eight years in total. By then, one of the things we aim

to do is achieve more than a 30% share in sustainable fuels used in air freight, ocean freight and road transportation. We want a 60% share of electric vehicles in our delivery fleet. And, worldwide, we're designing new builds to be climate neutral – from offices, to sorting centers, to terminals.

We're already making significant inroads. We have more than 20,700 e-vehicles in delivery operations. Some 86% of the electricity we use comes from renewable sources. And in Germany, we're shipping more and more parcels by rail. Year after year, we're moving closer to our goals.

Allow me to use two more examples from our air freight operations. That's where we generate 70% of our emissions.



A firm foundation for tomorrow – investing in sustainability

Pioneering partnership with **BP** and **Neste**

- > Over 800 million liters of sustainable aviation fuel by 2026
- > Carbon savings equivalent to emissions from around 400,000 cars in one year
- > One of the biggest supply contracts for biojet fuel in the history of aviation

© DHL Group | Annual General Meeting | May 6, 2022 18

About two months ago, we announced a pioneering partnership. By 2026, BP and Neste will supply us with more than 800 million liters of sustainable fuel. For use in our aircraft at DHL Express. Produced primarily from recycled cooking oil. This means carbon savings to the tune of approximately two million metric tons. That's equivalent

to the emissions from around 400,000 cars in a single year. It's one of the biggest supply contracts for biojet fuel in the history of aviation. And another milestone not only for us, but also for the entire sector. This major order we've placed gives the producers planning certainty. They can produce greater quantities of sustainable fuel – and perhaps then offer it at lower prices in the future.



DHL Express also ordered 12 all-electric “Alice” cargo planes in August last year. We’re the first company to do so, and are thus embarking on the era of electric aviation. The new aircraft are ideally suited for smaller, urgent, shorter-distance transports. With Alice, deliveries would then be quiet and emission-free.

These are just some of the activities we’re involved in across the Group divisions. They’re the measures that we’re investing in. Because we believe they’re good for the environment and they improve our competitive edge. More and more customers will insist on their shipments being sustainable.



We are also investing heavily in digitalization. An area that can greatly benefit logistics. It makes us more efficient, more stable and more secure. And it enhances the customer experience with the products and the services we provide.

As part of the investment program launched in 2019, we estimate that we will be spending around EUR 2 billion in digitalization projects in the period to 2025. It's a worthwhile undertaking: By 2025, those projects are expected to contribute to our earnings by a minimum EUR 1.5 billion a year.



In our dedicated Centers of Excellence, we've pooled our digital expertise. Focusing on things like automation, data analysis and blockchain. Our experts are building a centralized knowledge base. They're rolling out digital solutions to our business units, offering them to customers as well.

Across the Group, we're continuously testing and implementing innovative digital solutions.

Allow me to mention just a few:

We use robots and self-driving forklifts in our warehouse operations. They speed up our processes, making them simpler and smarter. They're able to take over routine tasks and activities that are always performed the same way. This eases the workload for our people. Especially where physically demanding work – and also safety – is concerned.

We'll soon have a new robot called "Stretch" on the team. It can readily recognize and pick up parcels weighing up to 23 kilos, even in the tightest of spaces. It can take them from A to B. And unload them off a truck. Its inbuilt cameras help Stretch find its way around.

We're also making progress when it comes to smart data use. In everyday operations, we can use the data we store to make more accurate forecasts and better-informed decisions. This really helps in things like selecting routes, saving us time and fuel in the process.

Blockchain is another great tool we put to practical use. With it, we can bundle information on supply chains in a more useful, secure and transparent way. And in real

time. This allows our partners to exchange information more effectively and more directly. We see tremendous practical potential in this field.

There's also a wide range of digital advancements that help simplify our private customers' lives. Using the Post & DHL app on their smartphones, they can track their mail and parcels. Use Packstations. Find sales points. Or buy stamps for letters and pay postage for parcels.

We're also investing a lot in ensuring that our data and our systems are secure. In the sector we operate in, it's crucial. We're vigilant, well protected – and our security gets even better every day.



We've also invested in expanding our portfolio this year. In line with Strategy 2025, our aim is to grow organically. But in certain cases, we can also buy in. And expand our position in the market.

We're not doing this simply to grow in size. But selectively and in accordance with a set of strict criteria.

Acquisitions must increase both the power and the pull of our core business. They must add value. And promise easy integration. Only when all criteria are met do we examine the options more closely.

In our latest acquisition, all of the criteria were met. In March, we took over the Hillebrand Group. The ocean freight specialist now belongs to our Global Forwarding, Freight division. It's an acquisition we believe was worth the price tag of approximately EUR 1.5 billion.

Hillebrand has vast logistics expertise in transporting beverages, beer, wine and spirits. And is an ideal addition to our ocean freight portfolio. The acquisition will increase our returns right from day one. It furthers our customer relations. And promises rapid integration. It was a perfect opportunity for us – and the timing was right.

We look forward to benefiting from Hillebrand's experience and expertise. And we welcome all at Hillebrand to the Deutsche Post DHL team.



Ladies and gentlemen,

The world around us is changing. And so, Deutsche Post DHL Group keeps moving forward. Playing to our strengths. With further investment, cutting-edge technology and a workforce of highly engaged, committed employees.

While there are some events that we cannot control, we can find ways to deal with them. Our performance is excellent, and we're stronger than ever before. Our foundation is stable and will carry us into the future. We have a social mandate. And we have our customers' confidence and trust.

There remain many pressing questions that must go unanswered. Among them, the question of when peace will return in Europe. Of how we can secure it in the future. The situation we are facing is by no means satisfactory.

But in all of this, there's a constant that remains. We'll keep the world turning. We'll continue to deliver. We'll carry on connecting people and improving lives.

Thank you for the trust you have placed in us.

Stay healthy, stay optimistic, stay safe.

Thank you