

Annual General Meeting

Deutsche Post DHL Group

Address, Dr. Frank Appel, CEO

Bonn – May 4, 2023

Check against delivery



Dr. Frank Appel

Chief Executive Officer
Deutsche Post DHL Group



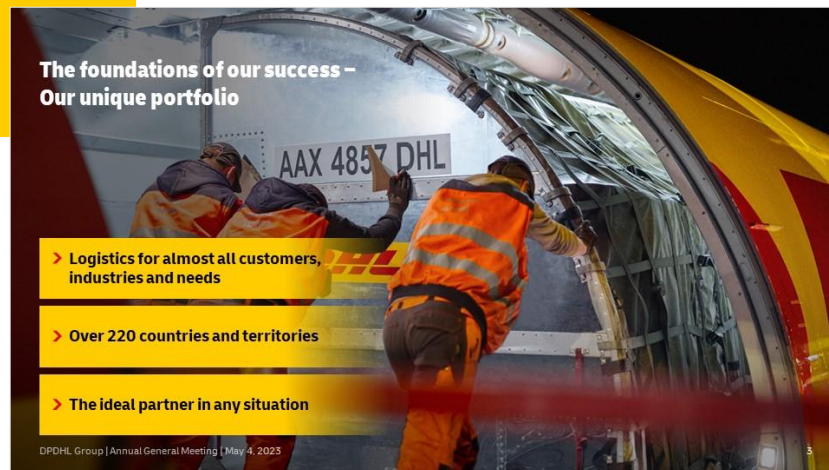
Ladies and gentlemen,

A warm welcome to the World Conference Center in Bonn. I am glad that we are once again able to meet and exchange ideas in person this year after the pandemic prohibited this in previous years. It's good to see you in person again. At the same time, I welcome all those of you who are watching online.



Life can change quickly and fundamentally, as we have all clearly experienced of late. It's probably no exaggeration to say that the past year was one of the most challenging in decades. In addition to the pandemic, we witnessed the launch of a war of aggression in Europe. This has resulted in far-reaching sanctions as well as an energy and food crisis, high inflation and a noticeable global economic slowdown. We live in uncertain and volatile times.

Deutsche Post DHL Group has remained remarkably on course in this turbulent environment. Despite all the external upheavals, we had an excellent fiscal year. We maintained key supply chains worldwide and continued our strong growth. Since the outbreak of the pandemic about three years ago, we have demonstrated that we are able to adapt to extraordinary situations. We are resilient. And we always reliably deliver – even in challenging times.



How have we maneuvered so successfully through all the external turbulence? On the one hand, it is due to our unique and well-balanced portfolio. This makes us flexible and robust. As the world market leader, we have logistics solutions for almost all customers, industries and needs. In over 220 countries and territories. No one else has such a broad and global footprint.

Whatever our customers need in terms of logistics: we are mastering it. We organize entire supply chains. We warehouse. We advise. We reliably deliver everything to its destination – be it online orders, medicines, vaccine doses, computer chips, machines or components. Or even, like last year, five lions and a tiger – from Ukraine to a nature reserve in South Africa, on behalf of an animal welfare organization.

We do all this not just quickly and securely, but also in an increasingly climate-friendly way. On land, on water and in the air. This makes us the ideal partner in any situation and any environment.

And we're not resting on our laurels. We are making our delivery networks more and more efficient.

Last year alone, we invested €4.1 billion in our business. More than ever before.

In addition, we acquired the ocean freight specialist Hillebrand. The integration has gone smoothly and further strengthens our portfolio. To us that was worth the purchase price of €1.5 billion.



We also continue to benefit from our Strategy 2025. It is the compass for all our divisions.

Our strategy ensures that we focus on our profitable core business. It reinforces our status as an Employer, Provider and Investment of Choice. And it ensures that we think and act digitally and sustainably.

In doing so, we always set the bar high: even in times of external crisis, we do not simply want to get by, but to deliver excellence. In everything we do.

Right now, Strategy 2025 is more valuable than ever. In recent years it has steered us safely through rough waters. It gives us clear guidance throughout the company and helps us speak a common language. This strengthens our identity and promotes cohesion.



I cannot acknowledge often enough the contribution our employees make to our success. We now employ around 600,000 people worldwide – with over 1,300 different job profiles. They are what account for our excellence. They achieved extraordinary things once again last year. My special thanks go to them.

Especially in our service-oriented industry, people make the difference. That's why we place great value on our corporate culture and good leadership. We are committed to shared values and goals. Worldwide, in all countries and divisions. That defines who we are and how we act. We call this our Common DNA.

Part of this DNA is that our managers are committed to ensuring that our employees are motivated and work safely with us. That they feel respected and have prospects. That they identify with their employer.

The effort is worth it. Last year, employee satisfaction across the Group was 83 percent – a very gratifying result. And once again above our target of more than 80 percent.

Since the beginning of the pandemic, we have managed to exceed this mark year after year.

We also regularly receive external confirmation that our culture is special: in the annual Great Place To Work® rankings, DHL Express was again named the world's best employer last year – for the second time in a row. Deutsche Post DHL Group also received the Top Employer award for Europe in early 2023. This is an extraordinary success, especially for a company of our size. It also helps us a lot in finding new talent.



One thing is certain: only motivated employees deliver excellent quality. This in turn leads to satisfied customers.

We are not only an Employer of Choice, but also a Provider of Choice. We demonstrated that again last year. Overall, customer satisfaction is even higher than before the pandemic.

This shows that our customers appreciate our performance over the past years. They have experienced how reliable we are – in all circumstances.

Incidentally, starting this year, our eCommerce Solutions division will also be collecting satisfaction scores for all countries.



In addition to this, we are Investment of Choice. Our efforts have paid off. 2022 was another very strong fiscal year. We again grew profitably – and set further records:

- Our EBIT reached €8.4 billion – representing an increase of 5.7 percent. And a new record.
- Revenue rose to €94.4 billion – 15.5 percent more than in the previous year. And also a new record.
- Excluding acquisitions, free cash flow amounted to €4.6 billion. This was half a billion euros more than in 2021 – and another record figure. Including our acquisitions, free cash flow was still €3.1 billion.

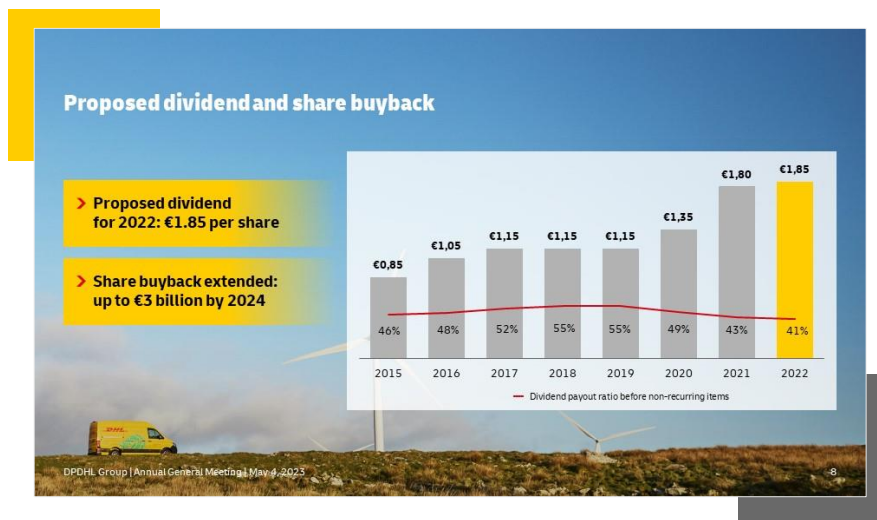
So financially, we are extremely strong. And we achieved these figures despite the fact that world trade slowed noticeably in the course of last year.

Let's take a look at our five divisions:

- The **Express division** again delivered very good figures. EBIT was €4.0 billion. To cushion higher costs, the division adjusted its prices. And Express has wisely and flexibly utilized its network. As a result, it has remained highly profitable. Express accounts for almost half of our EBIT.
- **Global Forwarding, Freight** had another outstanding year. EBIT made a huge leap to €2.3 billion. Very high freight rates were one reason for this. Another is that processes have become much more efficient – thanks, among other things, to new digital systems.
- **Supply Chain** achieved its strongest ever figures for new business. EBIT increased to just under €0.9 billion. Demand for reliable supply chains increased once again in the past fiscal year. And long-term contracts make the division particularly resilient.
- **eCommerce Solutions** achieved EBIT of just under €0.4 billion. In some regions, customers did order slightly less online. Partly due to the sharp rise in the cost of living. Nevertheless, the business has remained resilient – thanks to the broad portfolio of product types and countries. In India, moreover, shipment volumes increased significantly.
- At **Post & Parcel Germany**, EBIT decreased to around €1.3 billion. Here, too, parcel volumes have normalized as expected after the enormous increases during the pandemic. At the same time, fewer and fewer letters are being sent – a long-term trend. In addition, the German letter mail business is highly regulated. And our costs continue to rise.

At the beginning of this year, we had intensive collective bargaining negotiations with the trade union Ver.di. In the end, we agreed that we would pay inflation compensation – and significantly increase wages for around 160,000 employees covered by collective agreements from April 2024. This outcome has enabled us to avoid protracted strikes. However, it is very expensive and will also burden this division in the long term. We are now hoping for a new postal act that is viable for the future and will enable us to continue to operate profitably in Germany, too.

The bottom line is that it was our outstanding international business that enabled us to achieve the very gratifying overall result. Our flexible structures supported us here. They are particularly valuable in uncertain times.



Our earning power makes this possible: even in times of external crisis, we are able to raise our dividend. The Board of Management and the Supervisory Board are proposing a figure of €1.85 per share for your approval. That would be five cents more than in the previous year. And it would equal 41 percent of our net profit. This would put us within the range of 40 to 60 percent envisaged in our financial strategy.

I would be pleased if you agreed with our proposal. We will pay the dividend to you on May 9.

We are also extending our share buyback program until the end of 2024: from €2 billion to as much as €3 billion. This demonstrates our confidence in the strength and good prospects of the company. And of course you, our shareholders, will also benefit from this program.



Let's look at the development of our stock, from the critical phase at the outbreak of the pandemic and the subsequent normalization up to May 2 of this year. We compare our stock with the DAX, the Euro Stoxx 50 – and the MSCI World Transportation Index, i.e., the global sector index for us and our competitors.

In March 2020, markets initially plummeted because of COVID. Within just about a year and a half, our stock then reached an all-time high. Later, the war in Ukraine, among other factors, depressed prices across the board. Things have been looking up again for about half a year.

Our total shareholder return has been 42 percent since the outbreak of the pandemic. This means that we are significantly outperforming all three comparative figures: the DAX only comes to 19 percent. The Euro Stoxx 50 to only 27 percent. And the MSCI World Transportation Index to only 14 percent.

We have also been a superior investment over a longer period of time: from 2008 to the present, our stock has returned an average of about 8 percent per year. By contrast, the DAX has only returned about 4.5 percent.

In addition, our dividend has more than tripled since 2008: from 60 cents to the €1.85 per share proposed today.



Financial targets 2023

Guidance for 2023	(€ bn)
Group EBIT	6.0 – 7.0
DHL divisions	5.5 – 6.5
P&P	~ 1.0
Group Functions	~ -0.45
Free cash flow	~ 3.0

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The results of recent years offer proof of the strength and competitiveness of our company. We are in great shape and optimistic about the future.

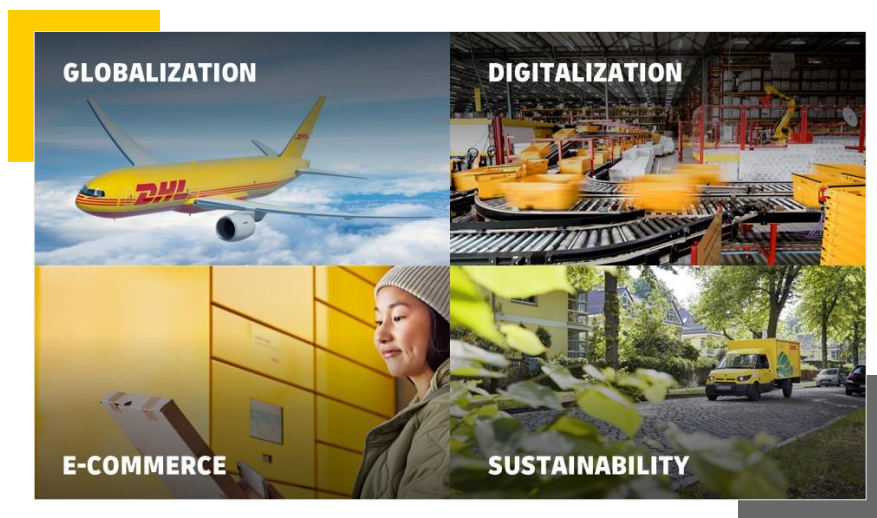
Nevertheless, even we are not completely immune when the global economy slows down. We have already felt the slowdown in momentum since the end of 2022. EBIT consequently was €1.6 billion in the first quarter of 2023 – and thus, as expected, below the figure of the very strong first quarter of the previous year. We nonetheless achieved a continued high earnings level, partly because we adapted to the conditions at an early stage. And because we have the experience to deal with them. We have adjusted prices and capacities in a proven manner. And we are keeping an eye on our costs.

Against this background, we fully confirm our forecasts. Depending on when the global economy picks up again, we see three possible scenarios:

- If the global economy begins to recover as early as mid-year, we believe we can achieve EBIT of around €7.0 billion.
- If the economy picks up momentum more slowly and only toward the end of the year, we believe EBIT of around €6.5 billion is realistic.
- In the worst-case scenario, there will be no recovery this year. Even in this case, we still expect EBIT of at least €6.0 billion.

As such, even in a weaker phase of the global economy, we can maintain our earnings at a new level.

And we continue to see ideal conditions for further growth in the coming years: the EBIT target for 2025 is more than €8.0 billion.



Ladies and gentlemen,

In the long term, four major trends will continue to shape the logistics industry: globalization, digitalization, e-commerce and sustainability.

In the future, all four will give us further tailwind because we as a company have consistently set the course for them over the years.

Let me explain this in more detail.



Let's start with globalization. At the moment, it is met with a lot of skepticism. The pandemic, trade conflicts, Brexit, the war in Ukraine – all of this can even raise the question for some: Is globalization coming to an end?

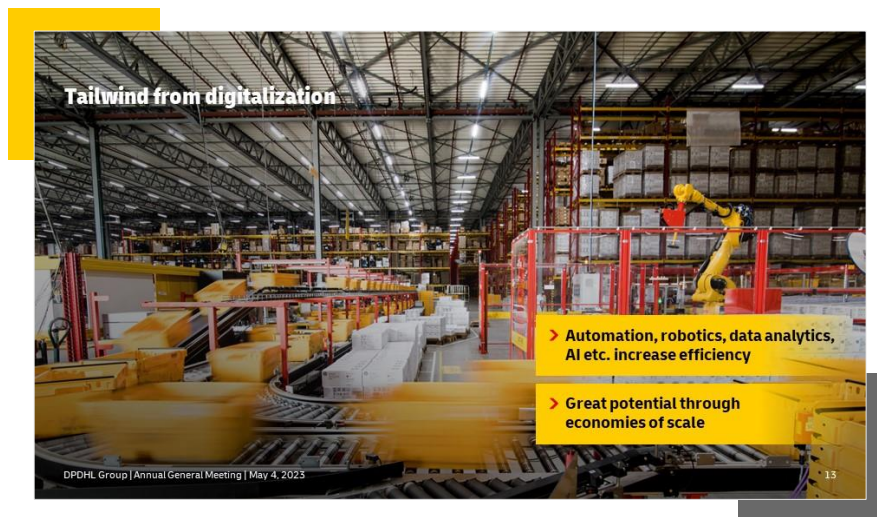
Anyone who looks at the facts comes to a clear answer: globalization cannot be stopped in the long run. Not even by major crises. At times, it may suffer setbacks. But to date, it has survived each of them and has always evolved. This can be measured and proven.

And that's no wonder. Because globalization offers countless advantages. Let's look at world trade, for example: it creates jobs and curbs inflation. It promotes progress and prosperity. And it ensures exchange, choice and innovation. Figures also show that world trade has also helped the world's poorest, to a remarkable extent.

Some of our customers are currently spreading their supply chains more widely geographically. For example, through additional sites in other countries. This can be prudent if it makes our customers more independent and flexible. However, it does not

mean that companies are withdrawing from individual regions. And ultimately, it means more global exchange, not less.

Deutsche Post DHL Group is ideally positioned for all of this. Over the past 15 years, we have invested more than €30 billion to expand our network. Today it spans the entire world. With us, goods are transported everywhere, quickly and reliably. No one understands globalization better than we do.



Digitalization, too, is unstoppable – the second major trend. It is particularly advantageous in logistics, where many processes are standardized. Digitalization makes them more efficient, faster and easier. Digitalization improves the experience for our customers and employees.

Between 2020 and 2025 alone, we expect to spend €2 billion on digital initiatives. We see them as a great opportunity and an important lever for further growth.

We have bundled our digitalization expertise in centers of excellence. Here we develop new solutions, for example in the areas of automation and robotics, data analytics or

artificial intelligence. All our divisions benefit from this. In this way, our size allows us to achieve considerable economies of scale.

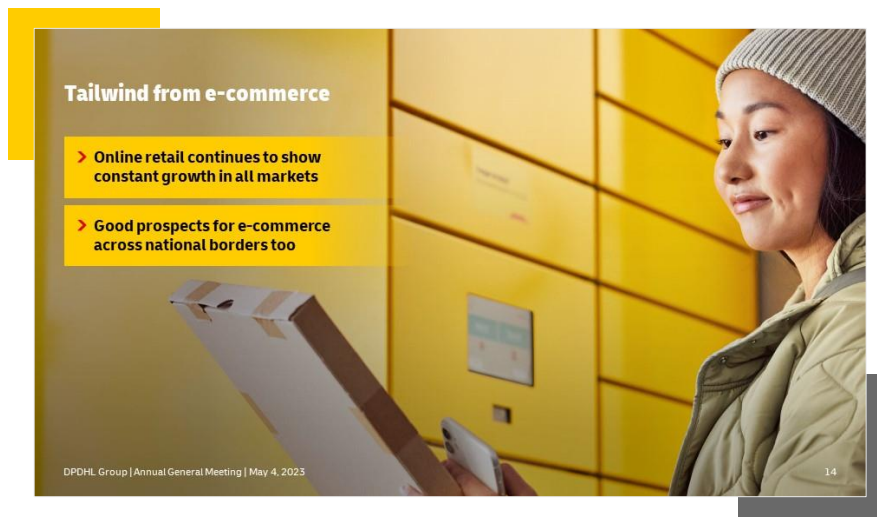
In our warehouses, for example, robots and autonomous forklifts already support us. For many tasks, they reduce the physical load on our employees enormously. Progress that benefits everyone in the end.

Data analytics is also already helping us: among other things, it saves us time and fuel – because it shows us the best routes. It also allows us to better predict potential disruptions and respond to them even faster.

We also continued to digitalize in the past year:

- Our digital customer portal myDHLi has a new forecast function that can predict arrival times in ocean freight much more accurately than the shipping companies themselves. Data analytics is also at play here. The portal offers our customers unbeatable transparency and control over their shipments.
- Since last year, we have been offering online retailers software that makes shipping more cost-effective and environmentally friendly. It calculates how to perfectly divide and arrange items in boxes. Regardless of the goods, it makes optimal use of the space. That in turn means less cardboard packaging, less transport and fewer emissions.
- And here's something else that is part of digitalization: we reliably strengthen the security of our systems and data. And protect them from unauthorized access, manipulation and misuse.

I am convinced that if we continue to consistently drive digitalization at our company, we will remain the Employer, Provider and Investment of Choice.



That leads us to another big trend. Digitalization is what made it possible in the first place: e-Commerce. For decades now, online trade has been becoming increasingly important. And the pandemic has suddenly made even more people aware of how convenient it is to order online. That it makes life easier. And often also saves money.

The enormous increases in parcel volumes during the COVID period may have normalized somewhat. But customers are still ordering significantly more online than before the pandemic.

Measured against the total retail trade, the online share is still low. So there is still a lot of potential. We don't expect e-commerce to grow as fast across the board as it did during the COVID lockdowns, but we continue to see constant growth in all markets.

This is what we're preparing for. We are further expanding our delivery networks and ensure efficient processes over the last mile so that we can continue to offer our customers first-class service.

E-commerce across national borders also has good prospects: it has increased significantly in recent years. And according to forecasts, it will continue to grow. Athletic shoes, cell phones or spare parts are cheaper or more easily available abroad?

No problem: these dealers are also just a click away. More and more customers are taking advantage of this.

For Deutsche Post DHL Group, therefore, the e-commerce trend also represents a tailwind. Today countless stores all over the world already ship their goods with us. We offer them everything: from warehousing to shipping and returns.

And we are continuing to expand our global network. Here, too, are some examples:

- In the UK, we are spending more than €560 million – among other things, on vehicles with alternative drives and a brand new hub that handles more than half a million shipments per day.
- In India, we are investing €500 million in additional warehouse capacity and state-of-the-art technology. Many processes will run automatically there.
- In Poland, we are creating a broad network of modern Packstations – together with Cainiao, the logistics arm of Alibaba.
- In Germany, we already have over 11,500 Packstations. An extraordinary success story. In the next few years, the network will become even larger.
- We also strengthened our presence in the Netherlands last year through a partnership with the e-commerce specialist Monta. Together with Monta, we can cater even better to the needs of small and medium-sized online stores.
- Among other investments, our Express division ordered six new efficient cargo aircraft last year. On board will be more and more urgent parcels from international online retailers.

Through such investments, we remain a reliable partner to online retailers. And we benefit from their continued growth.



One of the most pressing problems of our time remains climate change. Heat waves, droughts, forest fires, floods, hurricanes – natural disasters have demonstrably increased due to global warming. Year after year, people die as a result. And the stronger climate change becomes, the more damage it will do. Humanity therefore must work together to curb it. There is no alternative. Sustainability is thus another major trend that will keep us busy for a long time to come.

We make our contribution here: with ambitious goals, with measurable KPIs – and with the courage of our convictions. It was important to me that we be specific and binding on this issue as well. Because customers, investors and employees have growing expectations regarding sustainable business practices. And quite rightly so.

By 2030, we will spend up to €7 billion to significantly reduce our greenhouse gas emissions. The money will go primarily to sustainable fuels, climate-neutral buildings and even more electric vehicles. By 2050, we then want to reduce all our greenhouse gas emissions to net zero. An ambitious goal.

We again made progress along this path in 2022. Here are some examples:

- Compared with the previous year, we almost doubled our spending on decarbonization. This enabled us to avoid around one million metric tons of greenhouse gas emissions.
- With our GoGreen Plus offering, our customers can easily opt for climate-friendly transport. Including by plane or ship, through which a particularly large amount of energy is consumed and greenhouse gases produced. Here, if desired, we use sustainable fuels that are produced from waste and residual materials.
- The independent Science Based Targets initiative has officially confirmed that our targets to reduce greenhouse gas emissions are in line with the latest findings of climate research.

With a fleet of more than 30,000, we already have the most e-vehicles in the entire logistics industry. And we are the largest purchaser of sustainable aviation fuel in the industry.

Thus we are also pioneers when it comes to sustainability. And we continue to lead by example. For us, that too is entrepreneurial success.



Ladies and gentlemen,

Deutsche Post DHL Group has come a long way: from a national postal service provider to a renowned, world-leading logistics company. That is an extraordinary story – and an achievement we can all be proud of. Today we are larger, more international and more successful than ever.

But that's not all: we are also aware of our social responsibility. "Connecting people, improving lives" – we have defined this as our corporate purpose. And we bring this resolution to life every day through our daily work. And not only in climate protection. With our Go programs, we also contribute to greater prosperity and education. We improve career opportunities and provide assistance after natural disasters.

I am convinced that the function of companies today goes beyond pure profit. It is also becoming increasingly important for corporations to assume social responsibility. Only then will they be respected.

With our employees around the world, we have built a powerful company. A company that makes a positive difference every day for many millions of people. A company with a future.

We have worked hard for all of this. Our energy and flexibility are exceptional. Time and again, we have faced challenges with courage. Responded wisely to crises in the world. Focused on what we ourselves can change and improve. Made customers happy. And we have stuck together. I am certain: such a company will remain a leader.

As you are aware, after today's Annual General Meeting, my time at Deutsche Post DHL Group will come to an end. I will hand over responsibility for our company to my successor Tobias Meyer, placing it in good hands. He is an outstanding manager with diverse and in-depth expertise – and is a proven authority on our Group. I have always said I want a successor who is either better than or different from me. Tobias Meyer is both. I am convinced that he will lead Deutsche Post DHL Group on to further success.

I will not take a position on the Supervisory Board so that he and his team can work independently of me and make decisions freely.

The short-term priority for the company remains coping with the challenging current global situation. In the medium and long term, the guardrails of Strategy 2025 will continue to be of great importance.

I would like to thank you, our shareholders, for your trust and support during my 15+ years in office. I wish our company, our Board of Management, our Supervisory Board, our employees and all of you every success.

Thank you