

# SUSTAINABILITY-LINKED FINANCE FRAMEWORK

MAY 2025



## Introduction

The strategic relevance of the logistics industry has never been more widely acknowledged by society than in recent years.

DHL Group is the world's leading logistics company. We are connecting the world, hence facilitating economic growth and the creation of wealth. Leadership in logistics for us includes being a leader in terms of decarbonization - a key component of our business strategy which also focuses on achieving net zero logistics-related emissions by 2050. To emphasize the need for integrating sustainability into everyday decision-making, we have introduced a fourth bottom line, "Green Logistics of Choice," in our Strategy 2030. This signals to both the organization and the external environment the importance of incorporating decarbonization into decision-making when evaluating trade-offs in day-to-day management.

In addition to Employer of Choice, Provider of Choice, and Investment of Choice, we also aspire to be the Green Logistics of Choice. Sustainability will increasingly differentiate us in the logistics sector and serve as a competitive advantage. Although it may occasionally conflict with the other three dimensions in the short term, by 2030, offering green logistics solutions will be a must-have rather than a nice-to-have. It could even become our license to operate.

2024 SUSTAINABILITY		
GREEN LOGISTICS	BEST EMPLOYER	TRUSTWORTHY COMPANY
<b>Air fleet</b> 299 aircraft	<b>Employees globally</b> 601,723	<b>Locations in 220 countries</b> 12,114
<b>Road fleet</b> 121,850 vehicles of which 42,004 e-vehicles	<b>Apprentices and trainees</b> 7,202	<b>Headquarters in Bonn, Germany</b> 1
<b>Bicycles</b> 3,200 bikes 13,000 e-trikes 4,100 e-bikes	<b>Staff costs</b> €28.3bn	<b>International hubs</b> 3 Leipzig, Cincinnati, Hong Kong
<b>GHG emissions</b> 33.77 metric t CO <sub>2</sub> e	<b>Continuing education &amp; training</b> €264m Time invested 6.3m hours	<b>Mail and parcel centers</b> 119 81 mail centers, 38 parcel centers

To achieve our decarbonization goals, we are investing ahead of being able to fully commercialize our investments, in order to create a lasting competitive advantage, while maintaining a balanced approach. We plan additional expenditures which will cover the increasing use of sustainable technologies and fuels in our fleets and buildings, and which we are increasingly able to sell to our customers. This includes a 30% share of sustainable fuels in air, ocean and road transportation, electrification of at least 66% of our pick-up and delivery vehicles as well as the design of all new owned buildings in a carbon neutral way.

With our Sustainability-linked Finance Framework we are further expanding our commitment towards remaining the frontrunner in low carbon logistics operations. As we support our customers on their decarbonization journey, we use our absolute annual greenhouse gas emissions as a key performance indicator to determine interest



payments. We are convinced that only sustainable logistics services will be a viable business in the future.

Entering the field of sustainable finance shows our confidence that sustainability is becoming an increasingly differentiating feature in logistics. We recognize that failing to meet our target will result in paying higher interest rates to debt investors. Integrating our sustainability targets into our financing strategy emphasizes our commitment to being the Green Logistics of Choice. The framework provides an opportunity for investors to learn more about our conviction to drive the transformation within the transportation and logistics industry.

We are looking forward seeing you supporting us on this journey.

Bonn, May 2025

CEO

Tobias Meyer

CFO

Melanie Kreis

Head of Corporate  
Development

Yin Zou

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## Our Sustainability Approach

We face fundamental challenges. Our business is an essential driver of global trade, economic growth, and individual prosperity, but it also has an enormous impact on the environment. Logistics helps power the world, but it is people who power our logistics company. And we may connect every corner of the globe, but we must comply with a wide range of regulatory environments. Over the past 17 years, we have continuously improved our carbon efficiency. But it is still our duty as a globally operating company to reduce our footprint even more and make supply chains more sustainable. We also have to ensure equal opportunities and a safe working environment, as well as comply with all regulations and stand up as a world-class role model for good corporate governance. With worldwide operations and a team of over half a million, we have great potential to take action today that will make a positive impact on tomorrow. That's why we are a longstanding, dedicated partner of the United Nations (UN) and committed to the UN's Sustainable Development Goals (SDGs). Together, we can fully tap into our potential and make a lasting impact.



### GREEN LOGISTICS OF CHOICE

“

*As a logistics company we have a responsibility to make our business cleaner. Which is why we have been a trailblazer in low-carbon logistics, and we will continue to be just that. Not only because it's the right thing to do – but also because sustainability offers us an opportunity to grow as we help our customers decarbonize and fulfil their greenhouse gas reduction commitments. By offering Green Logistics of Choice, we are underscoring our responsibility and our commitment.”*

**DR. TOBIAS MEYER**  
Chief Executive Officer,  
Member of the Corporate Board Global Business Services

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## Full Integration of ESG Aspiration

With “Strategy 2030: Accelerate sustainable growth” we will further strengthen our foundation and adapt our service offerings and operations to the evolving logistics landscape. We double down on new opportunities to accelerate our growth momentum. Our Strategy 2030 is centered around accelerating sustainable growth. To drive this growth, we will focus on gaining market share and strengthening our position in fast-growing sectors and with fast-growing customers.

The growth we aim for must be sustainable in two ways. Firstly, it must be economically sustainable, i.e., offer an attractive return on investment. Secondly, it must be ecologically sustainable, i.e., target segments and customer groups that show an increasing willingness to pay for climate-friendly logistics services.

Our targets and aspirations in sustainability have now been fully integrated in Strategy 2030 and our four bottom lines framework. With this, we further amplify our commitment to sustainability while also simplifying our approach. It integrates overlapping aspirations and goals, further strengthening each of our four bottom lines.

The Board of Management is the central decision maker on Group-wide sustainability topics, whereas the divisions are responsible for implementation. 30 % of the Board of Management’s annual bonus is linked to the achievement of our sustainability targets. The details are provided in a separate statutory remuneration report that will be published on our website.



## Committed to the Global Goals

We conduct our business in accordance with applicable law and high ethical principles and environmental standards. As a signatory to the UN Global Compact, DHL Group implements its ten principles in areas where we have influence. Additionally, we take guidance from the principles set out in the Universal Declaration of Human Rights, the OECD Guidelines for multinational enterprises and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, as well as from the principle of social partnership. Our ethical and environmental values apply to the entire Group and are laid down in our Code of Conduct for employees and in the Supplier Code of Conduct for the business partners in our supply chain. Since respect for human rights is particularly important to us, we specify these guidelines in our Human Rights Policy Statement. Moreover, we participate in numerous United Nations initiatives and support the UN Sustainable Development Goals (SDGs). Our commitment is most closely aligned with the goals of Quality Education (SDG 4), Gender Equality (SDG 5), Decent Work and Economic Growth (SDG 8), Sustainable Cities and Communities (SDG 11), Climate Action (SDG 13) and Partnerships for the Goals (SDG 17).

Our Group's journey to sustainability includes actions that support many aspects of these six SDGs. In our Sustainability Approach, we have made key commitments to run clean operations, provide a great company to work for all, and be a highly trusted company and partner. The programs and initiatives aimed at achieving these goals will improve access to quality education, empower women, promote equal opportunities, create jobs, enable economic growth, mitigate climate change, and foster collaboration and partnership.



At DHL Group, our purpose is Connecting People and Improving Lives. That means the spirit of the UN's Sustainable Development Goals is also at the heart of everything we do. By pursuing our purpose every day, we make a significant contribution to prosperity and well-being by responsibly facilitating global trade and empowering people to make their lives and futures better.

- SDG 4 – We seek to make quality education and lifelong learning opportunities accessible for all.
- SDG 5 – We promote gender equality and take measures to empower women and girls.
- SDG 8 – We support growth by facilitating global trade in a responsible manner.
- SDG 11 – We minimize air pollution in cities and support disaster-affected communities.
- SDG 13 – We want to minimize the impact of our business activities through targeted measures.
- SDG 17 – We collaborate with the UN and other partners to ensure the sustainable impact of our activities.

## External Recognition

Our performance in sustainability is evaluated independently against economic, ecological, social and ethical standards by ESG rating agencies according to their own autonomous principles.

### INVESTORS

CDP	<b>“B” climate rating</b>
FTSE Russell	<b>3.4 out of 5.0 points</b>
ISS ESG	<b>C+ Prime Status</b>
MSCI	<b>“A” rating</b>
S&P Global	<b>64 out of 100 points, DJSI World Index</b>
Sustainalytics	<b>Low ESG risk</b>



FTSE4Good



Member of  
**Dow Jones  
Sustainability Indices**  
Powered by the S&P Global CSA



## Environment

The group-wide Clean Operations for climate protection program pursues our global target: net zero emissions by 2050. Climate and environmental protection have long since become one of the most important issues of our time. Our contribution to greater climate protection around the world is more sustainable logistics. To realize a decarbonized future, we think it's important to think big. Our target is to reduce all greenhouse gas emissions to net zero by the year 2050 (scopes 1 to 3, excluding offsetting). To help realize this vision of net zero emission logistics, we have established a number of ambitious interim goals across the main action areas of our sustainability strategy.

### Acceleration of our climate protection measures:

- Science-based target for the reduction of greenhouse gas emissions: Focusing on an absolute reduction of emissions by 2030
- Additional expenditures for sustainable fuels and technologies
- Decarbonization target fully integrated into Board of Management variable remuneration since 2022 (30% of Board of Management bonus linked to ESG targets)

### DHL Group's Greenhouse Gas Emission Footprint

As a global logistics company, the vast majority of our global greenhouse gas emissions arises from aircraft, vehicles, vessels, and logistics sites that we and our subcontractors operate globally. Around 68% of total emissions are attributed to air transport, 22% to road transport, 9% to ocean freight and only 1% to the operation of buildings.

We calculate our greenhouse gas emissions according to the internationally recognized Greenhouse Gas Protocol Corporate Standard and in accordance with the requirements of the European Emissions Trading System (EU ETS), the ISO 14083 and the ISO 14064 standards. We also follow the recommendations of the Global Logistics Emission Council (GLEC). In our Corporate footprint reporting and covered by our mid-term decarbonization targets, we include the following data:

- Scope 1: Direct emissions from fuel combustion in own or controlled sources, mainly from fuel consumption in own aircraft and road vehicles – 23% of total footprint
- Scope 2: Indirect emissions from the production of energy we purchase, mainly from electricity use in road vehicles and buildings (market-based approach)– 0.02% of total footprint
- Scope 3 – Transportation (Greenhouse Gas Protocol Scope 3 Categories 3 “fuel- and energy-related activities”, 4 “upstream transportation and distribution” and 6 “business travel”): Indirect emissions generated from upstream-related processes (e.g. during production and distribution) for fuels and energy consumed in our own fleet as well as from our subcontracted transportation

partners' fuel consumption in aircraft, ocean freight vessels and road vehicles and from business travel – ~77% of total logistics-related emissions

Additionally, we report on further Scope 3 categories annually in our ESG Statbook. These are not material and collectively represent less than 20% of total Scope 3 emissions:

- Scope 3 – Other indirect emissions (all other GHGP Scope 3 categories): Indirect emissions generated for example during the production of goods and services, capital goods and employee commuting.

## Sustainable Aviation

Aviation is the largest source of greenhouse gas emissions in our business and therefore the area where the greatest reductions are required. Sustainable Aviation Fuels (SAF) offer a viable alternative to fossil fuels for powering commercial aircraft with significant potential to reduce aviation's greenhouse gas emissions.

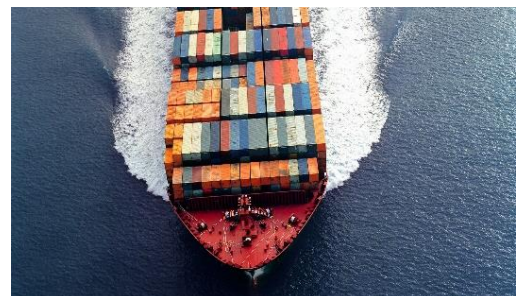


### Our approach to become leader in sustainable aviation:

- Increase share of Sustainable Aviation Fuel (SAF) use to > 30% by 2030
- Continuously modernize fleet of aircraft and replace older aircraft
- Increase efficiency by improving weight load, optimizing network structure and design
- Select more sustainable air freight partners
- Electrify and use hydrogen technology for ground handling equipment
- Drive innovation through the support of e-plane development and deployment and the promotion of power-to-liquid SAF plants
- Offer low-emission transport services for our customers (e.g. low-emission Time Definite International solutions in Express business, Air freight solutions based on the use of sustainable fuels in our network)

## Sustainable Ocean Freight

Being the second largest logistics provider in the ocean freight segment, we have a responsibility to reduce the environmental impact of ocean freight transports. The use of sustainable marine fuel is an important step towards decarbonizing our customers' ocean freight transports.



### Our approach for sustainable ocean freight:

- Increase share of Sustainable Marine Fuel (SMF) use to > 30% by 2030 across our partners' network
- Optimize network to drive down GHG emissions
- Enter strategic partnerships with SMF producers and carriers to foster technological and process-based innovation and strengthen collaboration
- Offer low-emission transport services for our customers (e.g. Sustainable Marine Fuel switch product for both Full-Container Load and Less-than-Container Load transports)

## Sustainable Road Transportation

To ensure excellence in our deliveries to our customer, we have initiated steps to make our pick-up and delivery (PuD) and linehaul transports more sustainable. The measures include among others, electrification of our PuD fleet, use of sustainable fuels in linehaul, and network optimization, all in close collaboration with our subcontractors in this area.

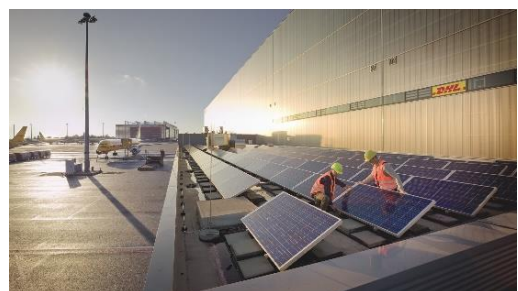


### Our approach for sustainable road transportation:

- Electrify 66% of our pick-up and delivery vehicles by 2030
- Increase share of sustainable fuels and technologies used in road linehaul to > 30% by 2030
- Reduce fuel consumption through permanent network improvements
- Enable employee contribution through energy saving driving training programs
- Drive innovation and increase market availability of hydrogen and electric trucks
- Substitute road transports by mode-shift to rail
- Ensure low-emission transport solutions from our subcontractors through standards, education, and incentives to invest in sustainable or climate-friendly transport solutions
- Offer low-emission transport services for our customers (e.g. decarbonized post & parcel shipments based on sustainable fuels and electrification)

## Carbon Neutral Buildings

Being the most international company in the world with operations in over 220 countries and territories, we operate a considerable number of sites like warehouses, sorting centres/hubs/terminals, office buildings etc. We aim to leverage the latest sustainable technologies to operate all new (owned) buildings in a carbon neutral way across our businesses worldwide.



### Our approach for carbon neutral buildings by default:

- Operate all new own buildings in a carbon neutral way
- Directly procure energy from sustainable sources
- Use sustainable heating systems in our buildings installation of minimum of 80-watt peak per m<sup>2</sup> of new building roof space, covering 40% of the roof area by photovoltaic for new photovoltaic, evaluate retrofitting options



- Convert locally produced electricity from renewable sources (e.g. solar power / photovoltaic) into energy for our electrified fleet
- Use digitalization / intelligent building management systems to further reduce energy consumption
- Fostering the use of alternative construction materials, to reduce embedded carbon
- Usage of battery storage solutions where viable

### **Product Portfolio**

As the world's leading logistics company, we feel it is our responsibility to set an example in our industry and be a sustainability leader. Reducing the carbon footprint of our operations and setting the highest social and governance standards is essential to us.

Over the years, we have repeatedly redefined logistics, from introducing the industry's first green product to becoming the first logistics company to commit to a net zero emissions target. Across industries more and more companies are committing to climate protection targets and are requiring their suppliers to support.

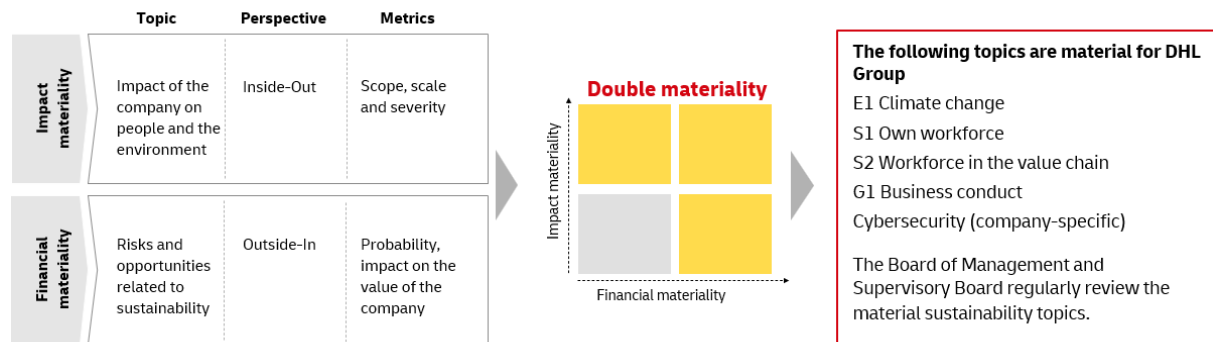
Therefore, our clear goal and commitment is to offer the most comprehensive portfolio of low-carbon products and solutions in the industry. We believe that together with our customers we can create a significant positive impact on our environment. With our comprehensive product and solution portfolio we help our customers to reduce emissions in every part of the logistics value chain and achieve their sustainability targets.



## Materiality

Since fiscal year 2024, the EU Corporate Sustainability Reporting Directive came into effect, and with it the concept of double materiality. Already in 2023, DHL Group's materiality analysis was conceptualized and carried out in consideration of the new requirements of materiality. As part of this, the impacts, risks, and opportunities were evaluated during internal expert meetings and in-depth assessments were carried out. This also included a comprehensive location-based analysis of aspects related to biodiversity. The results were discussed with internal as well as external stakeholders. According to our current assessment, we classify the ESRS topics of climate protection (ESRS E1), own workforce (ESRS S1), workers in the value chain (ESRS S2) and business conduct (ESRS G1), as well as cybersecurity as a company-specific topic, as material. In addition, ESG metrics, responsibilities and internal collection and reporting systems were reviewed for necessary adjustments or expansions.

### DOUBLE MATERIALITY IN ACCORDANCE WITH ESRS<sup>1</sup>



1) European Sustainability Reporting Standards (ESRS). Application as of fiscal year 2024.

## Governance

The Board of Management is the key decision-maker in terms of setting the Group's strategic direction in sustainability matters, whereas the divisions are responsible for the implementation of actions. The Board of Management identifies and assesses the opportunities and risks associated with sustainability and manages impacts via the various board departments. The progress achieved is regularly discussed by the Board of Management. Sustainability matters are also regularly dealt with in the meetings of the Supervisory Board and its Strategy and Sustainability Committee, its Human Resources Committee and its Finance and Audit Committee. The Sustainability Advisory Council, which consists of representatives from the sciences, politics, and business, provides an external perspective on sustainability issues on a regular basis.

Each division holds quarterly business review meetings with members of management – once per year with the full Board of Management and three times per year with the Chair of the Board of Management (the CEO) and the Board of Management member responsible for finances (the CFO). These meetings serve to not only discuss financial performance, but also the development of the sustainability targets over time. Separate ESG business performance meetings chaired by the CFO are held quarterly to keep close track of our sustainability performance.

Our ethical and environmental goals are expressed in Group policies that provide all employees and managers with principles and clear standards for contributing to our success within the scope of their jobs and responsibilities. The most important Group policies include the Code of Conduct, the Supplier Code of Conduct, the Anti-Corruption and business ethics policy, the environmental and energy policy, as well as the Human Rights Policy Statement.



The Sustainability Steering Board is composed of the CEO, CFO and CHRO as well as executives from central and divisional specialist departments and is responsible for ongoing monitoring of the sustainability agenda.

The Human Resources Board department, among others, handles Group-wide policies for leadership and corporate culture and for nurturing talent and developing skills as well as guidelines for HR processes and services, for maintaining relationships with employee representatives and for ensuring respect for human rights among our employees.

The Finance Board department is in charge of sustainability reporting and controlling, opportunity and risk assessment, the integration of sustainability reporting into the internal control and financial systems, compliance management, data protection and performance of the materiality assessment. The Chief Compliance Officer is responsible for the design of the Compliance Management System and reports to the CFO.

The Global Business Services Board department is responsible, among other things, for developing Group-wide standards for sustainable sourcing and the supplier selection process.

Measures to support climate and environmental protection and improve occupational safety are managed by the Operations Board and cybersecurity is managed by the IT Board, both of which are under the leadership of the CEO. The Global Commercial Board is responsible for the sustainable product portfolio and chaired by the CEO of Express.

## Sustainability-Linked Finance Framework

This Sustainability-Linked Finance Framework has been developed to be aligned with the Sustainability-Linked Bond Principles (SLBP), established by the International Capital Markets Association (ICMA) in June 2020 and most recently adjusted in June 2024. DHL Group may issue different financial instruments including bonds and Schuldscheins (SSDs) under this Sustainability-Linked Finance Framework.

The Sustainability-Linked Finance Framework has been developed to be aligned with the five core components of the SLBP:

1. Selection of Key Performance Indicators (KPIs)
2. Calibration of Sustainability Performance Targets (SPTs)
3. Bond characteristics
4. Reporting
5. Verification



Moody's will provide a Second Party Opinion on this Sustainability-Linked Finance Framework, which will be made publicly available on [DHL Group's Creditor Relations website](#).

### Selection of Key Performance Indicators (KPI)

The KPI's that have been included for the purpose of this Sustainability-Linked Finance Framework mirror the key sustainability challenges that the transportation sector is facing. In order to safeguard the long-term success of DHL Group, **greenhouse gas emissions from transportation must decrease**. By focusing our efforts on energy efficiency and especially the reduction of emissions caused by transportation such a goal is within reach. In line with others in the transportation sector with global reach, DHL Group's carbon footprint can largely be tracked to the value chain. That is why DHL Group has selected GHG emissions reduction KPIs for this Sustainability-Linked Finance Framework.

We believe contribution to greater sustainability around the world is achieved through more sustainable logistics. With our mission and long-term target to achieve net zero emissions by 2050, we strive for clean operations for climate protection. We have set ourselves as well the near-term target of reducing our greenhouse gas emissions by 2030. We have done this by committing to emission targets in line with the Paris Agreement which were validated and approved through SBTi in October 2022 (near-term target) and September 2024 (long-term target).



## **The KPI's: Absolute greenhouse gas emissions reduction**

In the fight against climate change, DHL Group is committed to an ambitious GHG emissions reduction target. The Group assumes that its GHG emissions would increase significantly by 2030 without any counter measures. In 2021, emissions were 40 million tonnes. Today, the company is committed to reducing its absolute annual GHG emissions to below 29 million tonnes by 2030, despite the expected continued strong growth in global logistics activities. The derived KPIs refer to the EU Taxonomy environmental objective "Climate Change Mitigation" as well as the United Nations Sustainable Development Goal 11 "Sustainable Cities and Communities", 12 "Responsible Consumption and Production" and 13 "Climate Action". The mapping of the SDGs has been done in accordance with the High-Level Mapping of the Sustainable Development Goals published by ICMA.

### **KPI 1 - Scope 1 and 2 GHG emissions:**

including air freight transportation and road freight transportation and heating energy used at our owned and leased sites, our warehouses and facilities. Scope 2 represents purchased electricity used for those sites and for the operation of electric vehicles, plus purchased district heating and cooling. We are using the market-based approach to calculate Scope 2 emissions.

### **KPI 2 - Scope 3 GHG emissions:**

including mainly transport-related GHG emissions from DHL's subcontractors and upstream fuel and energy-related processes. It includes Scope 3 categories 3 (fuel- and energy-related activities), 4 (upstream transportation and distribution) and 6 (business travel) according to the GHG Protocol.

## **KPI Calculation Methodology**

Scope 1 mainly describes GHG emissions from DHL Group's air freight transportation and road freight transportation and heating energy used at our sites, our warehouses and facilities. Scope 2 represents electricity used for those sites and for the operation of electric vehicles, plus district heating and cooling. We are using the market-based approach to calculate Scope 2 emissions. Scope 3 mainly describes transport-related GHG emissions from DHL's subcontractors and upstream fuel and energy-related processes. For our 2030 target, it includes Scope 3 categories 3 (fuel- and energy-related activities), 4 (upstream transportation and distribution) and 6 (business travel) according to the GHG Protocol. Category 8 (upstream leased assets) is included in our Scope 1 and 2 emissions; all other Scope 3 categories are not material and collectively represent less than 20% of total Scope 3 emissions. The calculation of Scope 1, 2 and 3 emissions is aligned with the GHG Protocol, ISO 14064 and ISO 14083 standards as well as the Global Logistics Emissions Council (GLEC) Framework. The reduction target for Scopes 1 and 2 is in line with a 1.5 degree scenario, while the reduction target for Scope 3 is in line with a well-below 2 degrees scenario, as required by the SBTi.

## **The SPTs: Calibration of Sustainability Performance Targets (SPT)**

### **Reducing annual Group greenhouse gas emissions to below 29 million tonnes of CO<sub>2</sub>e by 2030.**

Despite the expected continued strong growth there are many ways to decarbonize logistics chains. Saving potential can be found in all parts of the supply chain and there are ways to minimize emissions regardless of their source. This applies to our road, ocean and air transport as well as to warehousing in logistics centres. Major efficiency gains can also be achieved by optimizing our logistics networks. Our main focus, of course, is on greenhouse gas emissions reduction. In addition to this, we implement measures to minimize all other environmental impacts of our business activity.

#### **SPT 1 - Reducing absolute Scope 1 and 2 GHG emissions:**

DHL Group commits to reduce absolute Scopes 1 and 2 GHG emissions 42% by 2030 from a 2021 base year, which has been validated and approved by the SBTi as being aligned with reductions required to keep global warming in line with a 1.5 degree scenario.

#### **SPT 2 - Reducing absolute Scope 3 GHG emissions:**

DHL Group commits to reduce absolute Scope 3 GHG emissions from fuel- and energy-related activities, upstream transportation and distribution and business travel 25% by 2030 from a 2021 base year. This target has been validated and approved by SBTi as being aligned with reductions required to keep global warming in line with a well-below 2 degree scenario.

## **Benchmarks**

We have developed our GHG emission reduction target in line with the requirements of the SBTi and have received validation for our near-term target in October 2022 and for our long-term target in September 2024. By benchmarking DHL Group's ambition against the ambition stated in the Paris Agreement, an alignment with both the expectations on climate action from our customers and future policy initiatives is achieved.

## **Strategy to achieve SPTs**

Our business activities impact the climate and the environment mainly in the form of greenhouse gases. We have reviewed and largely endorsed the climate action and environmental protection measures we have taken to date as part of our Sustainability Approach. A major element is a medium-term decarbonization target striving for an absolute reduction in GHG emissions by 2030. We want to reduce our GHG emissions to net zero by 2050. That means we will use active reduction measures to reduce our GHG emissions (Scopes 1, 2 and 3) down to an unavoidable minimum, which is to be fully compensated for with recognised countermeasures (excluding offsetting). We have set ambitious targets to be achieved by 2030 that continue to include the transport services provided by our subcontractors (Scope 3).

Particularly important for achieving these goals by 2030 is a bundle of measures to increase the use of sustainable fuels and technologies in our fleets and buildings to be

rounded out by a range of environmentally friendly products. Our focus here is mainly on the modes of transportation using the most fuel and generating the most emissions, namely air freight and road transport, and further increasing the electrification of our fleet of pick-up and delivery vehicles. Moreover, we aim to further decarbonise purchased ocean freight capacity. We will also invest in technologies to enable carbon neutral operations of our own new buildings.

This approach allows us to uphold our responsibility to the climate and the environment, while strengthening our own market position. Together with our subcontractors, we also work as part of initiatives to reduce fuel consumption and lower GHG emissions. This also enables us to procure the consumption and emissions data necessary for subcontractor management, which is why we take part in industry-wide initiatives and collaborate closely with customers, suppliers and industry partners.

### **Level of ambition**

Our 2030 target is to reduce the Group's overall Scope 1, 2 and transport-related Scope 3 greenhouse gas emissions to below 29 million tonnes CO<sub>2</sub>e. Two sub-targets were assessed and approved by the SBTi in October 2022 for this, thus assuring an external reference to the level of ambition.

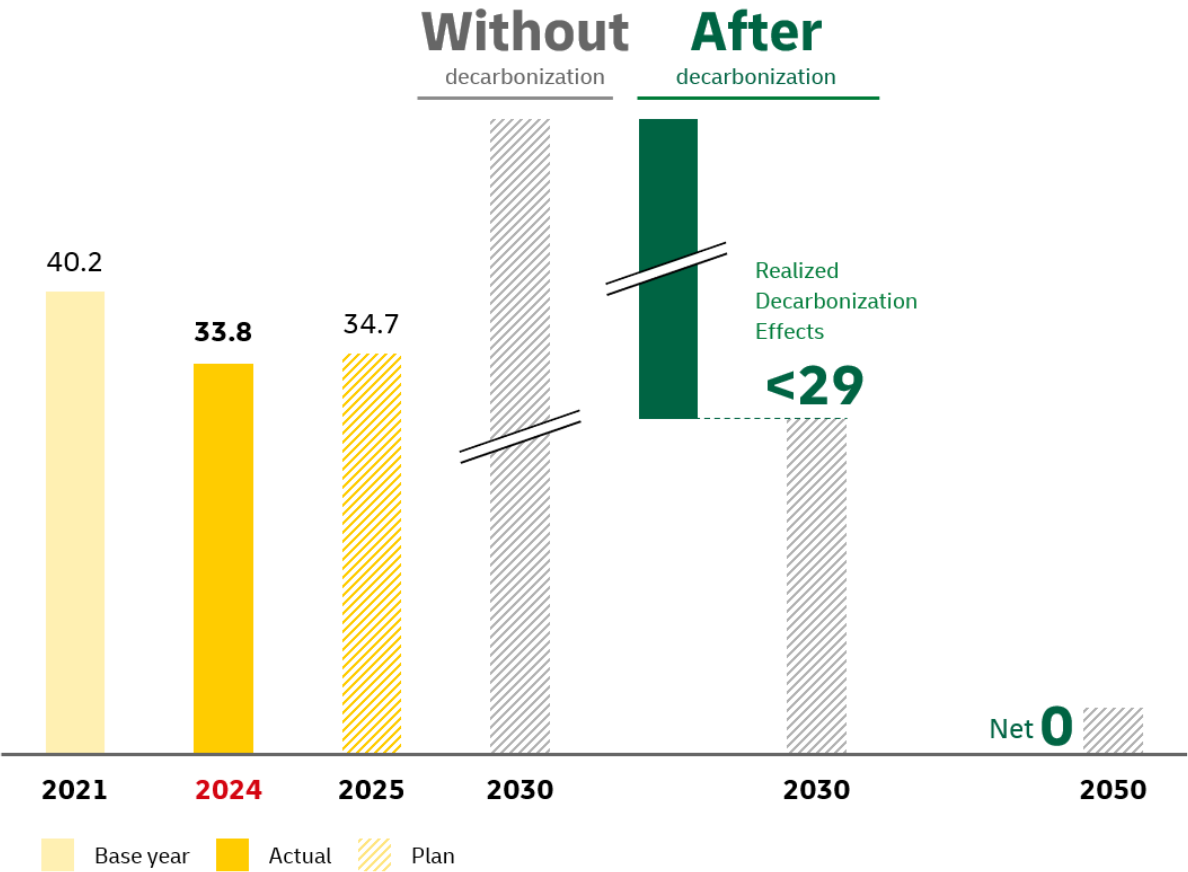
In line with SBTi requirements and official target language, the approved Group target consists of the two following sub-targets:

- Target for Scopes 1 & 2: DHL Group commits to reduce absolute Scopes 1 & 2 GHG emissions 42% by 2030 from a 2021 base year. This sub-target is in line with requirements to limit global warming to below 1.5 degrees Celsius.
- Target for Scope 3: DHL Group commits to reduce absolute Scope 3 GHG emissions from fuel- and energy-related activities, upstream transportation and distribution and business travel 25% by 2030 from a 2021 base year. This sub-target is in line with requirements to limit global warming to well-below 2-degrees Celsius.

Our long-term target is to reduce our GHG emissions to net zero by 2050. That means we will implement active decarbonization measures to reduce our GHG emissions (Scopes 1, 2 and 3) down to an unavoidable minimum, which is to be fully compensated for with countermeasures recognized by external standards (excluding offsetting). This long-term objective was also validated by SBTi in September 2024:

- Overall net-zero target: DHL Group commits to reach net-zero greenhouse gas emissions across the value chain by 2050.
- Long-term targets: DHL Group commits to reduce absolute scope 1 and 2 GHG emissions 90 % by 2050 from a 2021 base year. DHL Group also commits to reduce absolute scope 3 GHG emissions 90% within the same timeframe.

**REDUCING LOGISTICS-RELATED GHG EMISSIONS**  
Million metric tons CO<sub>2</sub>e





## **Financial Instrument Characteristics**

The financial and structural characteristics of any financial instrument issued under this Framework will be specified in its corresponding financial instrument documentation, including the potential changes to the financial and/or structural characteristics which may succeed any Trigger Event(s).

### **Trigger Events**

The occurrence of any of the following events (the Trigger Events) may trigger a change in the financial and/or structural characteristics of the relevant financial instrument as described below in the Changes in Financial Instrument Characteristics section.

- The lack of DHL Group's KPI's performance in relation to the applicable SPT for the relevant Target Observation Date as reported on or before the Reporting End Date following the Reference Year, or
- DHL Group's reporting does not meet the requirements set out in the Reporting section of this Framework, or
- The verification of the KPI's performance in accordance with the Verification section of this Framework has not been provided and, when available, made public by the Reporting End Date.

The Target Observation Date is defined as any date when KPI's performance is observed and if applicable measured against a relevant target or an SPT.

The Reporting End Date for any given year shall be the date falling 120 days after the 31st of December of that year.

The Reference Year sets out the twelve-month period up until and including the Target Observation Date for which the KPI's performance is observed.

### **Changes in Financial Instruments Characteristics**

The occurrence of a Trigger Event may result in changes to the financial and/or structural financial instrument characteristics. Such changes will be described in the relevant financial instrument documentation.

For the avoidance of doubt, if in respect of any financial instruments issued under this framework, the company has achieved the relevant SPT for the Reference Year, and reporting and verification for the KPI and SPT have been provided and made public in accordance with the Reporting and Verification sections of this Framework, the financial instrument characteristics of the relevant financial instrument issued by DHL Group under this Framework shall remain unchanged.

For any financial instrument issued under this Framework, a Trigger Event impacting the financial instrument characteristics may only occur once during the tenor of the relevant financial instrument.

## **Fallback mechanisms and exceptional events**

The KPI's metrics during the base year will be recalculated to reflect better data accessibility, discovery of data errors, a change in the calculation methodology or any significant changes in DHL Group's structure (e.g. acquisition, divestiture, mergers, insourcing or outsourcing). The threshold value for a significant change are changes that impact the Sustainability Performance Target, in aggregate, by 5 percent or more. Any recalculations for a certain KPI must be reported on, see the Reporting section below, and verified by an independent, qualified external reviewer as outlined in the Verification section of this Framework. Recalculation will not be triggered by organic growth and decline.

## **Reporting**

In order to provide investors and other stakeholders with adequate information about DHL Group's implementation of its sustainability strategy, DHL Group will also provide relevant reporting on the progress made with respect to the KPI's and in relation to the achievement or not of the SPT's set out in the financial instrument's specific documentation. Such reporting shall be made publicly available on an annual basis in a Sustainability-Linked Finance Progress Report (SLF Progress Report) and in any case for any period relevant for assessing the KPI performance leading to a potential adjustment of the financial and/or structural characteristics of bonds or SSDs issued hereunder. The SLF Progress Report shall be published on DHL Group's website no later than the Reporting End Date after the end of the year being reported on up to and including the Reference Year.

The SLF Progress Report will form the basis for evaluating the impact on the characteristics of any securities issued under this Framework, as outlined in the Financial Instruments Characteristics section.

If a change to the financial and/or structural characteristics of the financial instrument is triggered due to a failure to report, the change will only occur after the Reporting End Date, for the relating Reference Year, regardless of when a failure to provide the verification occurs.

The SLF Progress Report will contain all the relevant information needed to assess the progress towards the SPT's including the relevant SPT's for the applicable Target Observation Date(s) including but not limited to:

- The performance of the KPIs, as per the relevant reporting period and when applicable, as per the Target Observation Date including the calculation methodology and baselines where relevant;
- Information about recalculations, if any, of the KPI levels;
- A verification report relative to the KPI performance, outlining the performance against the SPTs and the related impact, and timing of such impact, on the Bond/SSD Characteristics; and

- Information on relevant updates to DHL Group's emission reduction strategy and/or governance with an impact on the KPI and Target Trajectory

Where feasible and possible the SLF Progress Report will also include:

- Qualitative and/or quantitative explanations of the contribution of the main factors, including M&A activities and changes to the organization, behind the evolution of the performance on the KPIs on an annual basis;
- Illustration of the positive sustainability impacts of the performance improvement;
- Updates on new or proposed regulations from regulatory bodies, such as but not limited to the EU, relevant to the KPI.

The SLF Progress Report referred to above shall be verified by qualified external reviewer with relevant expertise as described in the Verification section.

### **Verification**

In order to provide transparency to investors and other stakeholders and in alignment with the SLBPs, DHL Group will ensure an external and independent verification by a qualified external reviewer with relevant expertise, as outlined in the "Guidelines for Green, Social, Sustainability and Sustainability-Linked Bonds External Reviews" developed by the SLBPs, of its actual performance level against each SPT for each KPI. The verification shall be conducted with reasonable assurance by the external reviewer. DHL Group has the discretion to change the external reviewer subject to fulfilling the requirements set out herein. The verification shall be made public together with DHL Group's annual SLF Progress Report on the company's webpage no later than the Reporting End Date and in any case for the SPT related Trigger Event, as outlined in the Financial Instrument Characteristics Section.

In relation to the SPT, the verification, together with the SLF Progress Report, will form the basis for evaluating whether a Trigger Event has occurred with respect to any financial instrument issued under this Framework as described in the Financial Instrument Characteristics section.

### **Second Party Opinion**

DHL Group has engaged Moody's as an external reviewer to provide an external and independent, ex-ante Second Party Opinion on DHL Group's Sustainability-Linked Finance Framework. The Second Party Opinion report will be made publicly available on DHL Group's website.

## Supportive Documents

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[2024 Annual Report](#)

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[2024 ESG Presentation](#)

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[2024 ESG Statbook](#)

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[Corporate Website](#)

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# CORPORATE FINANCE