

# 2021 ESG PRESENTATION

ESG ROADMAP PROGRESS TO DATE

Bonn, March 9, 2022



**Deutsche Post DHL  
Group**

## Purpose of the presentation

This ESG presentation brings together all of the Group's relevant ESG information and provides a transparent report of our progress with regard to our ESG KPIs and targets. It also allows us to address further ESG topics that are relevant for individual stakeholder groups.

The ESG Statbook contains all of our available ESG data since 2016 as well as indexes for the relevant reporting standards GRI, SASB, TCFD and WEF<sup>1</sup>.

- Unless otherwise stated, all information relates to the period from January 1 to December 31, 2021, and applies to the entire Group as described in the consolidated financial statements
- The Non-financial Statement has formed part of the Group Management Report since FY 2020. A separate sustainability report has not been published since this time
- We are committed to using gender-neutral language appropriate for our target groups. Exceptions include fixed terms used within our organization and other organizations as well as terms of legal significance
- Finding your way around:



Downloads



External websites






Internal hyperlinks

<sup>1</sup> GRI Standards, Sustainability Accounting Standards Board, TCFD, World Economic Forum.

# Deutsche Post DHL Group in figures

Key figures 2021	
<b>Financial KPIs</b>	<ul style="list-style-type: none"> <li>• Revenue €81,747 million</li> <li>• Group EBIT €7,978 million</li> <li>• Free cash flow €4,092 million</li> </ul>
<b>Express</b>	<ul style="list-style-type: none"> <li>• 1,210,000 international shipments (TDI) per working day</li> <li>• 645,000 domestic shipments (TDD) per working day</li> </ul>
<b>Global Forwarding</b>	<ul style="list-style-type: none"> <li>• Air freight: 2.1 million tonnes export freight</li> <li>• Ocean freight: 3.1 million TEU<sup>1</sup></li> </ul>
<b>Supply Chain</b>	14 million m <sup>2</sup> warehousing and operational space <sup>2</sup>
<b>eCommerce Solutions</b>	1.1 billion parcels
<b>Post &amp; Parcel Germany</b>	<ul style="list-style-type: none"> <li>• 49 million letters per working day</li> <li>• 6.7 million parcels per working day</li> </ul>

<sup>1</sup> TEU = Twenty-foot equivalent unit. <sup>2</sup> Owned and leased warehouses.

ESG facts 2021	
<b>Environment</b> 	<ul style="list-style-type: none"> <li>• &gt;320 aircraft</li> <li>• 112,460 vehicles of which 21,430 e-vehicles</li> <li>• 29,200 bicycles of which 12,400 e-trikes</li> <li>• GHG footprint: 39.4 million tonnes CO<sub>2</sub>e</li> <li>• 86% electricity from renewable sources</li> </ul>
<b>Social</b> 	<ul style="list-style-type: none"> <li>• Around 590,000 employees globally</li> <li>• 11<sup>th</sup> largest private employer</li> <li>• Around 5,100 trainees</li> <li>• €23.8 billion in staff costs</li> </ul>
<b>Governance</b> 	<ul style="list-style-type: none"> <li>• Business operations in 220 countries and territories</li> <li>• Around 12,600 sites</li> <li>• Headquarters Bonn, Germany</li> <li>• International Hubs Cincinnati (US), Hong Kong, Leipzig (Germany)</li> </ul>



# Contents

<b>1</b>	<b>ESG<sup>1</sup>-ROADMAP</b>	Strategy
<b>2</b>	<b>ENVIRONMENT</b>	UN Global Compact
<b>3</b>	<b>SOCIAL</b>	UN Sustainable Development Goals
<b>4</b>	<b>GOVERNANCE</b>	Stakeholders
<b>5</b>	<b>RELATED LINKS AND CONTACTS</b>	Materiality
		ESG Ratings

<sup>1</sup> Environment, Social, Governance.



“There is no way around sustainable logistics in the future. **We are deciding today what kind of world we and our children will live in 30 years from now.** And our aspiration is to make a substantial contribution to ensure that this will be an even better world.”

**Frank Appel,**  
CEO  
Deutsche Post DHL Group

# Significant achievements as a sustainable company

2003 ff.

Unlocking our Potential  
STRATEGY 2015

2009 to 2015



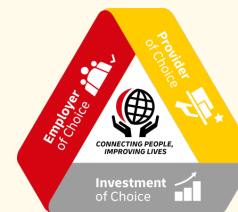
2014 to 2020



2019 to 2025



2021  
ESG Roadmap



# Sustainability is integrated into Strategy 2025 at every level



## The three components of our ESG Roadmap 2030

**Our Purpose: *Connecting people, improving lives.***

On our journey towards more sustainable logistics, we are focusing on three key action areas in which we can achieve the biggest impact:



**Clean operations for climate protection**



**Great company to work for all**



**Highly trusted company**

We are also committed to making a lasting impact in communities around the world through our Go programs.

Slide 52 ff.







## ESG Roadmap 2030 aims and objectives

### Clean operations for climate protection



#### Focus

Reducing logistics-related GHG emissions

#### Measures

- Use of sustainable technologies and fuels
- Road fleet electrification<sup>1</sup>
- Climate-neutral design of new buildings<sup>2</sup>
- Green product portfolio

#### KPI

Realized Decarbonization Effects<sup>4</sup>

### Great company to work for all



#### Focus

- Employee engagement
- Diversity and inclusion
- Occupational safety and health

#### Measures

- Attract and retain the best talent
- Actively promote equal opportunities
- Healthy and safe work environment

#### KPIs

- Employee Engagement<sup>4</sup>
- Share of women in executive positions<sup>3, 4</sup>
- Lost time injury frequency rate (LTIFR) per 200,000 hours worked<sup>4</sup>

### Highly trusted company



#### Focus

- Compliance: Rendering our services in compliance with current legislation and in accordance with our own values
- Cybersecurity
- Respect for human rights

#### Measures

- Compliance-relevant trainings
- Cybersecurity skills
- Sustainable supplier relations

#### KPIs

- Share of valid training certificates<sup>3, 4</sup>
- Cybersecurity: Under development
- Audits relating to human rights

<sup>1</sup> In pick-up and delivery. <sup>2</sup> Owned buildings. <sup>3</sup> In middle and upper management. <sup>4</sup> Management-relevant.

## ESG integrated into management remuneration: Three bonus-relevant KPIs

From 2022, all three ESG areas, with specific KPIs, will be incorporated into and account for 10% respectively in the bonus calculation of the Board of Management.

Clean operations for  
climate protection



- Reducing GHG emissions
- Realized Decarbonization Effects KPI

Great company to work  
for all



- Maintaining employee engagement at a high level
- Employee Engagement KPI

Highly trusted company



- Ensuring our business activities are compliant with applicable laws and guidelines
- Share of valid compliance-relevant training certificates KPI


## Principles of the UN Global Compact embedded in the Group

The ten principles of the UN Global Compact<sup>1</sup> are embedded in our Code of Conduct and Supplier Code of Conduct.



**Code of Conduct defines the way our employees should collaborate with one another**



Slide 76 

**The requirements of the Code of Conduct are further specified in our corporate guidelines<sup>2</sup>**



- Environmental and Energy Policy
- Sustainable Fuel Policy



- Corporate Diversity & Inclusion Statement
- Human Rights Policy Statement
- Occupational Health & Safety Policy Statement



- Anti-Corruption and Business Ethics Policy
- Human Rights Policy Statement
- Information Security Policy
- Data Privacy Policy

<sup>1</sup> DPDHL Group signatory since 2006. <sup>2</sup> Selection of the main corporate policies and guidelines.

## We are committed to the UN Sustainable Development Goals

Our commitment is most closely aligned with six of the 17 UN Sustainable Development Goals (SDGs). It is here that we can make the most positive impact on the challenges presented by sustainable development.



**4 QUALITY EDUCATION**  
We seek to make quality education and lifelong learning opportunities accessible for all.



**8 DECENT WORK AND ECONOMIC GROWTH**  
We support growth by facilitating global trade in a responsible manner.



**13 CLIMATE ACTION**  
We want to minimize the impact of our business activities through targeted measures.



**5 GENDER EQUALITY**  
We promote gender equality and take measures to empower women and girls.



**11 SUSTAINABLE CITIES AND COMMUNITIES**  
We minimize air pollution in cities and support disaster-affected communities.



**17 PARTNERSHIPS FOR THE GOALS**  
We collaborate with the UN and other partners to ensure the sustainable impact of our activities.




## 2021 materiality analysis identifies six material issues

We regularly conduct a materiality analysis to establish the key issues with relevance for the Group

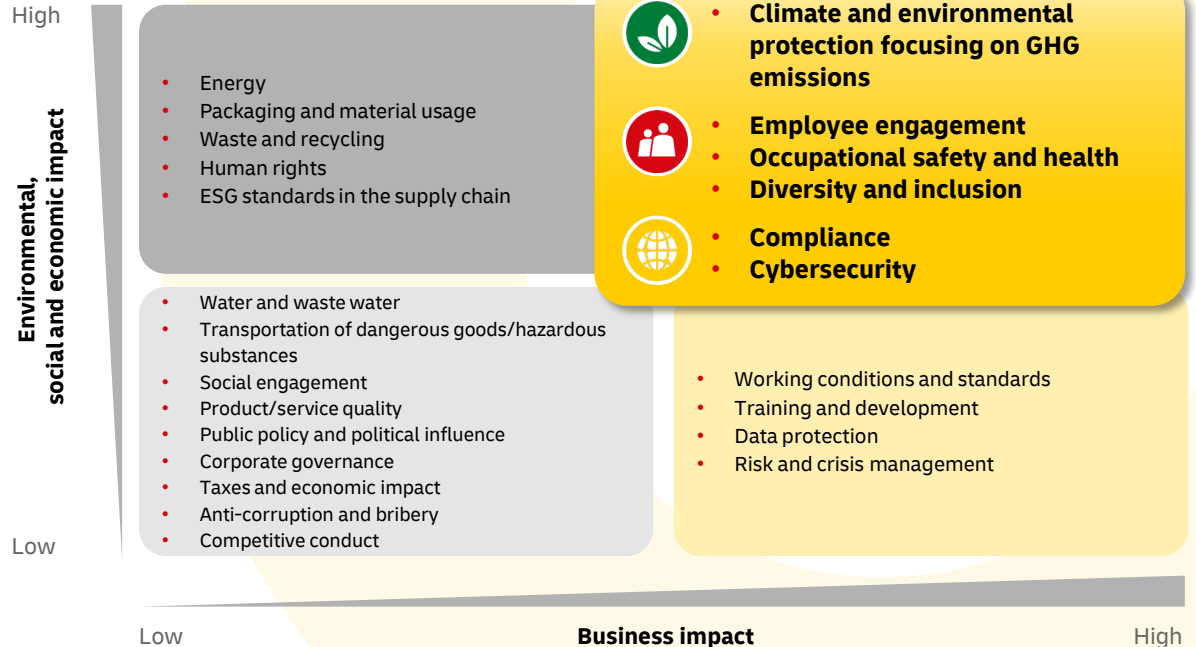
- in line with the GRI standards
- on the basis of double materiality in accordance with the HGB<sup>1</sup>

We review the results together with our key stakeholders.

[2021 Annual Report](#) 

<sup>1</sup> In accordance with the HGB Sections 289 b, 315 b.

### Results of the 2021 materiality analysis

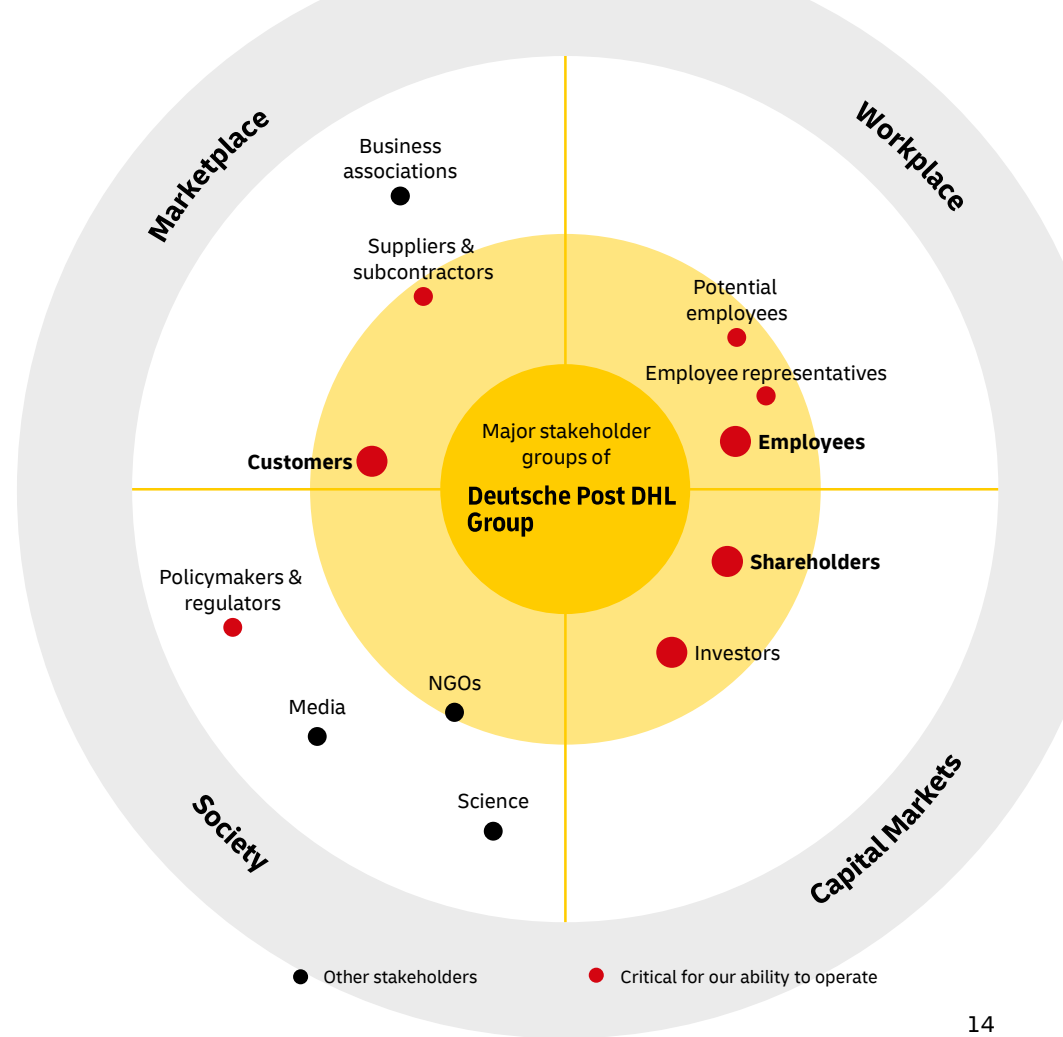


## Our stakeholder dialogue

- Regular, open and constructive
- Dialogue is integral to our management process
- We work together with stakeholders to develop solutions to future social and business challenges
- Our dialogue formats are based on our Stakeholder Engagement Guidelines (AA1000 Standard)
- External perspectives and expertise are contributed by the Sustainability Advisory Council



Policy



## ESG performance confirmed by rating agencies and supplier platform

ESG rating agency	2021 performance
<b>CDP</b>	<ul style="list-style-type: none"> <li>• 'B' Rating confirmed for climate protection reporting</li> <li>• 'A-' Rating confirmed for supplier management</li> </ul>
<b>FTSE Russell</b>	<ul style="list-style-type: none"> <li>• Listed in the FTSE4Good index series</li> <li>• Confirmed for &gt;10 years in a row</li> </ul>
<b>ISS ESG</b>	<ul style="list-style-type: none"> <li>• PRIME Status: highest quality scores confirmed in environmental and social aspects</li> <li>• No.1 in terms of transparency and disclosure of these aspects</li> </ul>
<b>MSCI</b>	'A' Rating
<b>S&amp;P Global ESG</b>	<ul style="list-style-type: none"> <li>• Top 10% of the best companies worldwide</li> <li>• DJSI World and DJSI Europe members</li> </ul>
<b>Sustainalytics</b>	Low ESG risk confirmed
Supplier rating	
<b>Ecovadis</b>	<ul style="list-style-type: none"> <li>• 'Advanced' status confirmed</li> <li>• DPDHL Group is among the top 3% of evaluated companies industry-wide</li> </ul>





## Contents

**1** ESG<sup>1</sup>-ROADMAP

**2** ENVIRONMENT

**3** SOCIAL

**4** GOVERNANCE

**5** RELATED LINKS  
AND CONTACTS

Targets and measures

Greenhouse gas (GHG) emissions

Energy consumption

ISO-certified sites

Fleets and measures

Other topics

<sup>1</sup> Environment, Social, Governance.





# ESG Roadmap 2030 aims and objectives

## Clean operations for climate protection



### Focus

Reducing logistics-related GHG emissions

### Measures

- Use of sustainable technologies and fuels
- Road fleet electrification<sup>1</sup>
- Climate-neutral design of new buildings<sup>2</sup>
- Green product portfolio

### KPI

Realized Decarbonization Effects<sup>3</sup>

## Great company to work for all



### Focus

- Employee engagement
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- Occupational safety and health

### Measures

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### KPIs

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### Measures

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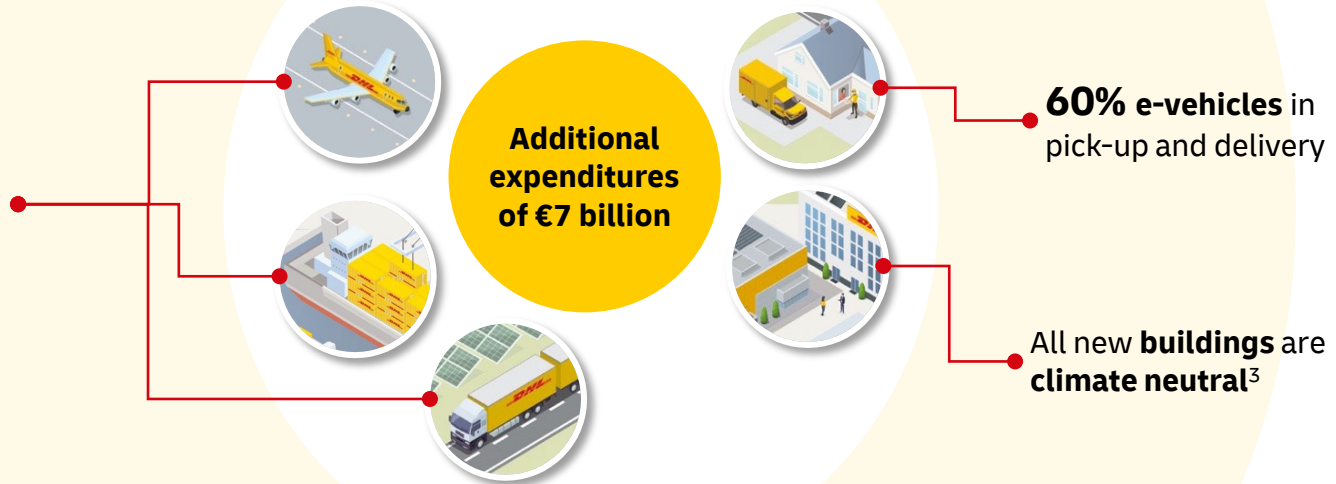
<sup>1</sup> In pick-up and delivery. <sup>2</sup> Owned buildings. <sup>3</sup> Management-relevant.

## Our goals on the path to climate-neutral logistics by 2050

**By 2050**, reduce logistics-related GHG emissions<sup>1</sup> to net zero<sup>2</sup> (Scopes 1 to 3, excluding offsetting).

**By 2030**, additional expenditures of up to €7 billion earmarked for sustainable technologies and fuels.

**>30% share of sustainable fuels** in air/ocean freight and road transport



**Joint effort and engagement:** Working together with customers, transportation partners and industry partners on initiatives to reduce fuel consumption and GHG emissions; procuring data needed for targeted subcontractor management.

<sup>1</sup> Basis for GHG emissions calculation (well-to-wheel): Greenhouse Gas Protocol, DIN EN 16258 and Global Logistics Emissions Council Framework. <sup>2</sup> Reduction to unavoidable minimum, which is to be fully compensated by recognized countermeasures (without offsetting). <sup>3</sup> New owned buildings.

## Our path to climate-neutral logistics: reducing logistics-related GHG emissions by 2030

We aim to significantly reduce our carbon footprint by 2030 with the help of sustainable technologies and fuels.

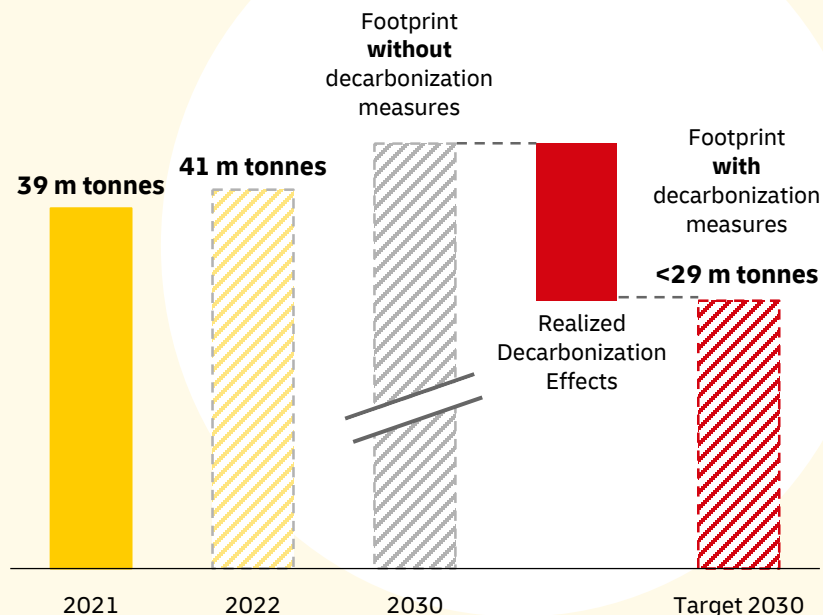
### Results 2021

- **728 kilotonnes CO<sub>2</sub>e**  
Realized Decarbonization Effects
- Further reduction of **172 kilotonnes CO<sub>2</sub>e**  
by means of mandatory biofuel blends

### Planning 2022

- Increase to 41 million tonnes CO<sub>2</sub>e expected
- Realized Decarbonization Effects  
of 969 kilotonnes CO<sub>2</sub>e

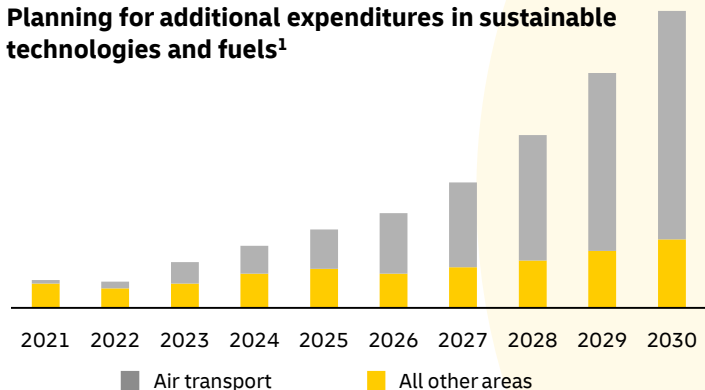
### Trends in GHG emissions (million tonnes CO<sub>2</sub>e)



## Planning for additional expenditures of up to €7 billion

Our focus is on emission and consumption-intensive modes of transportation and expanding our e-vehicle fleet in pick-up and delivery. We also aim to further decarbonize purchased capacity for ocean freight. In addition, we aim to make the design of all new Group-owned buildings climate neutral.

Planning for additional expenditures in sustainable technologies and fuels<sup>1</sup>



### Additional expenditures in 2021

- **€28 million** used for the purchase of sustainable fuels<sup>1</sup>; share of sustainable fuels 1.3%
- **€115 million** used for electrification of the fleet; approx. 20,700 e-vehicles currently deployed
- **€13 million** used for climate-neutral building technology

**Additional expenditures of €156m in 2021**

<sup>1</sup>Without mandatory blending.

## Trends in logistics-related GHG emissions: Our carbon footprint 2021

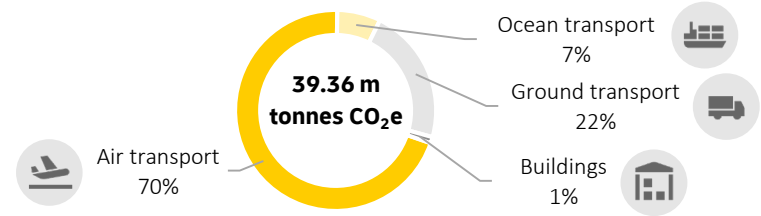
### Reporting switched to well-to-wheel:

Measurement along the entire process chain  
(including energy supply)

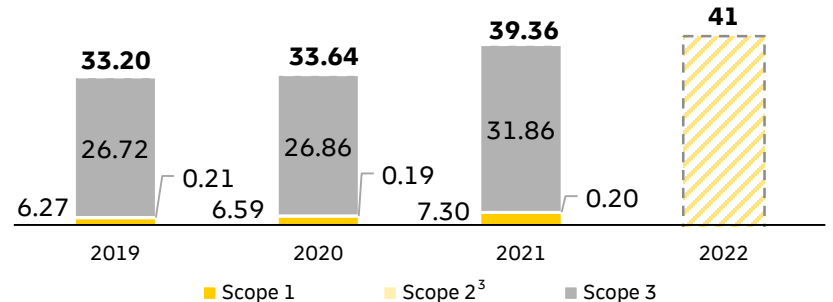
### GHG emissions increased to 39 million tonnes CO<sub>2</sub>e in 2021

- Scope 3 emissions and air freight are the biggest drivers
- Increase mainly due to business growth and COVID-19 effects<sup>2</sup>
- GHG efficiency dropped to 36 index points

#### GHG emissions by mode of transportation in 2021



#### Trends in GHG emissions (million tonnes CO<sub>2</sub>e)



<sup>1</sup> Basis for GHG emissions calculation: Greenhouse Gas Protocol, DIN EN 16258, Global Logistics Emissions Council.

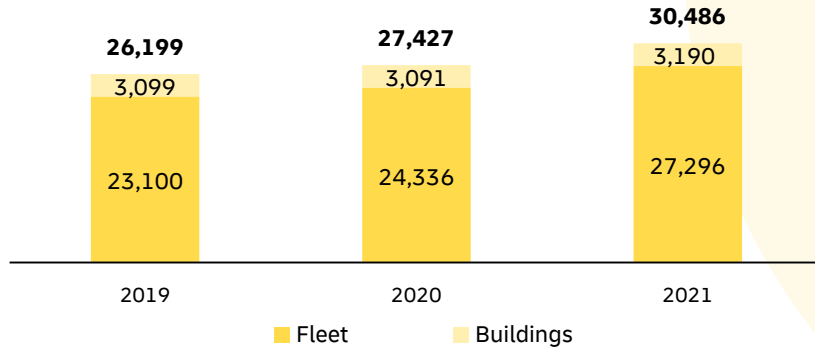
<sup>2</sup> Incl. lower number of scheduled flights and increased emissions for cargo transported therein due to lower utilization of passenger cabins. <sup>3</sup> Market-based method.

## Energy consumption 2021 – owned fleets and buildings (Scopes 1 and 2)

Total energy consumption rose to 30,486 million kWh.

- Air transport consumption increased by 5.4%
- Road transportation consumption decreased by 8.0%
- Share of electricity from renewable sources continuously high

Trends in energy use (million kWh)



**2021**  
86% electricity  
from renewable  
sources



**2021**  
325 million kWh  
of sustainable fuel  
used by the fleet



# Environmental management, alternative drive systems, electricity from renewable sources in 2021

## AMERICAS



**1,100 vehicles** with alternative drive systems



**96% electricity** from renewable energy sources

## EUROPE



**24,200 vehicles** with alternative drive systems



**94% electricity** from renewable energy sources

## ISO-CERTIFIED SITES

**58% of the 12,600 sites are ISO certified**

- 5,900 according to ISO 14001
- 6,400 according to ISO 50001
- 5,000 according to both

## MIDDLE EAST/AFRICA



**45% electricity** from renewable energy sources

## ASIA PACIFIC



**800 vehicles** with alternative drive systems



**61% electricity** from renewable energy sources



# OUR MEASURES





## Measures for sustainable air freight by 2030

### Sustainable fuels (SAF)

- Blending ratio of >30% SAF by 2030 (Scopes 1 and 3)
- Strategic partnerships with SAF producers and freight carriers

### Fleet modernization

Ongoing replacement of aircraft and deployment of e-planes

### Increasing efficiency

- Improve weight load
- Optimize network structure and design
- Select more sustainable air freight partners



### Driving innovation

- Drive development of e-planes
- Promote power-to-liquid SAF plants

### Reduce GHG emissions in ground handling

Greater use of electrification and hydrogen technology at our major hubs

### Sustainable product alternatives

- Express: Low-emission TDI solutions<sup>1</sup>
- Global Forwarding: Air freight solutions with sustainable fuels (additional service fee for customers)

<sup>1</sup> TDI: Time Definite International.

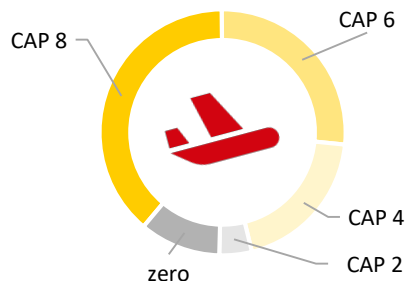
## Modern air fleet 2021

Our air fleet comprises >320 dedicated cargo aircraft.

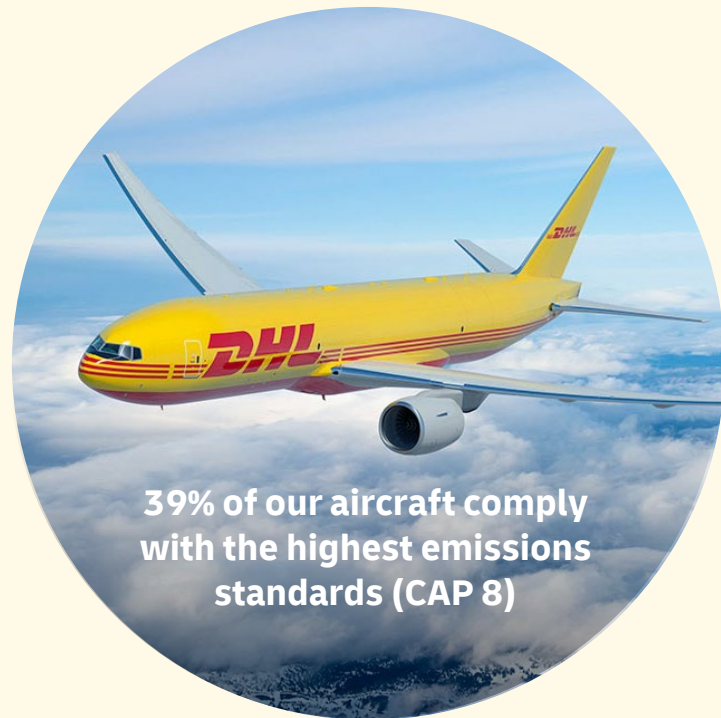
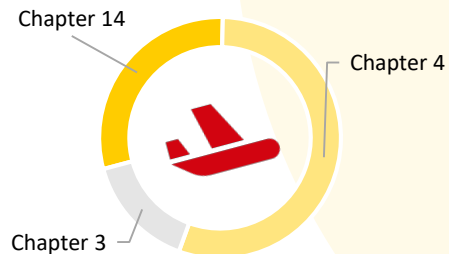
We are continuously modernizing the aircraft we own.

- 22 Boeing 777 freighters<sup>1</sup> ordered: 14 in operation
- 12 Alice e-planes ordered; delivery starting 2024

### Aircraft<sup>2</sup> by NO<sub>x</sub> emission standards



### Aircraft<sup>2</sup> by noise regulation standards



<sup>1</sup> Efficiency gains of 18% compared with predecessor models plus lower fuel consumption. <sup>2</sup> Excluding feeder aircraft.



## More and more airports now offering SAF: Express refuels at four airports



# Measures for sustainable ocean freight by 2030



## Sustainable Maritime Fuel blending

- The fuel product offering for both FCL<sup>1</sup> and LCL<sup>1</sup> transports (GoGreen Plus) drives the development and use of Sustainable Maritime Fuel (SMF)
- DPDHL Group is the first logistics service provider to offer climate-neutral LCL ocean freight transport products – at no additional cost to customers

## Network optimization

Helps drive down GHG emissions

## Strategic partnerships

- Encourage technological and process-based innovation
- Strengthen collaboration with SMF producers and carriers

<sup>1</sup> Full container load (FCL), Less than container load (LCL).

# Measures for sustainable road freight by 2030



## Environmentally-friendly delivery routes

Electrify 60% of last-mile delivery vehicles by 2030

## Sustainable fuels

Increase share of sustainable fuels to >30%

## Network optimization

Continuous network optimization for reduced fuel consumption

## Driver training

Programs to raise employee awareness for eco-friendly driving



## Green product portfolio

Insetting offers

## Drive innovation

- Drive development of hydrogen and electric trucks
- Increase market availability

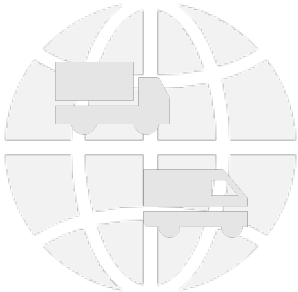
## Transport partner activation

- Foster subcontractors' green transport activities
- Define standards, offer training
- Incentivize investment in green transport solutions
- Transition from road to rail transport

## Modern road fleet 2021

**Our road fleet comprises 112,500 vehicles worldwide.**

- Conventional vehicles are continually upgraded
- 84,600 vehicles<sup>1</sup> comply with Euro emissions classification, of which
  - 25% are entirely emissions-free
  - 68% meet Euro 5 or 6 standards

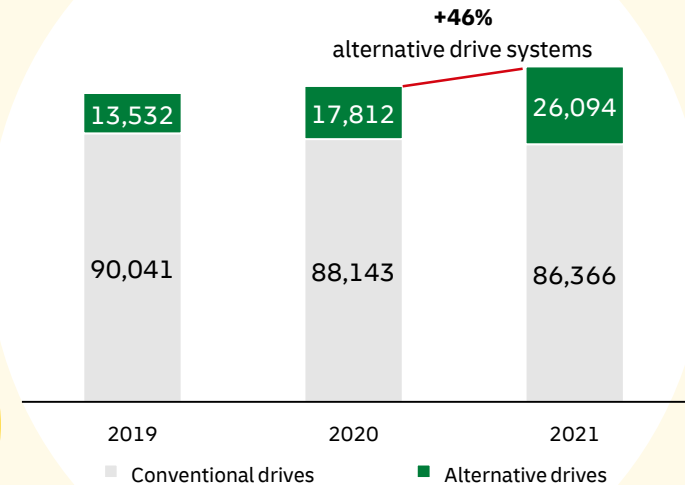


**2021**  
**23%** alternative drives fleet-wide



**2021**  
**21,400** e-vehicles  
**3,500** hybrid drive systems

### Alternative drives in road fleet



<sup>1</sup> Comprises the largest vehicle fleets in areas covered by the Euro emissions classifications (Europe, USA, Japan, China).



# Main levers in climate-neutral building design



**Climate-neutral building design**  
Starting in 2021, all new (owned) buildings built to be climate neutral

**Electricity from renewable sources**  
Increase share to >90% by 2030

**Sustainable heating systems**  
Increase use to >50% by 2030

**Purchasing power**  
Electricity procured directly from renewable and sustainable sources


**Sector coupling**  
Convert locally produced electricity from renewable sources into fuels for our e-vehicle fleet

**Building automation**  
Use digitalization and smart building management systems to further reduce energy consumption

## Green product portfolio


### Clean fuels and technologies



Decarbonization of logistics service by using sustainable fuels and technologies (GoGreen Plus) [Website](#) 

### Offsetting projects



Offsetting of customer GHG emissions<sup>1</sup> via certified climate protection projects [Website](#) 

### Green optimization



Optimization of customer supply chains to reduce emissions, waste and other environmental impacts

**Transparency target:**  
Carbon reports for customers in all divisions

<sup>1</sup> This offsetting is not taken into account for the calculation of our carbon footprint.



## Biodiversity, noise pollution, natural resources, waste and recycling

These topics are not considered material for our company by us or our stakeholders. Our business models do not have a serious impact in these areas.

### Biodiversity

- Sites predominantly located in urban areas or designated industrial and commercial zones
- Operations do not have a direct negative impact on protected plants or animals
- Sustainable Fuel Policy takes account of biodiversity aspects during production



### Waste

- Avoid waste and digitalize processes
- Support recycling
- Contracts for maintenance and disposal encourage environmentally-friendly practices



### Noise pollution

- Working with stakeholders to develop solutions to ensure any noise pollution we cause is kept to an acceptable minimum
- Ongoing modernization of our fleets



### Water

- Mainly used by our employees for sanitary needs
- Maintenance or scrapping of our fleets is the responsibility of the manufacturer or other third-party providers



### Paper

We only use recycled paper<sup>1</sup>

<sup>1</sup> Where these meet our technical and economic requirements.



## Contents

**1** ESG<sup>1</sup>-ROADMAP

**2** ENVIRONMENT

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**5** RELATED LINKS  
AND CONTACTS

Aspiration and objectives

Workforce

Employee engagement

Diversity and inclusion

Occupational safety and health

Corporate Citizenship

<sup>1</sup> Environment, Social, Governance.

A photograph of two men standing in a warehouse or depot. The man on the left is wearing a red and yellow DHL uniform. The man on the right is wearing a white button-down shirt and a yellow lanyard. They are both smiling and looking at a laptop held by the man in the white shirt. In the background, several yellow DHL delivery vans are parked in a row. The scene is brightly lit, suggesting an indoor or well-lit outdoor environment.

**Our People. Our Communities. Our Impact.**

**“Our dedicated team is our greatest resource and the key to our success.”**

Thomas Ogilvie,  
Board Member for  
Human Resources and Labor Director  
Deutsche Post DHL Group



## ESG Roadmap 2030 aims and objectives

Clean operations for climate protection



### Focus

Reducing logistics-related GHG emissions

### Measures

- Use of sustainable technologies and fuels
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- Climate-neutral design of new buildings
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### KPI

Realized Decarbonization Effects

Great company to work for all



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Highly trusted company



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<sup>1</sup> In middle and upper management. <sup>2</sup> Management-relevant.

# We are the 11<sup>th</sup> largest private employer in the world: DPDHL Group<sup>1</sup> employed a workforce of 592,263 in 2021

## Americas

123,682 employees<sup>1</sup>

9.7% USA

## Europe

363,552 employees<sup>1</sup>

38.5% Germany

## Middle East/Africa

20,170 employees<sup>1</sup>

## Asia Pacific

84,855 employees<sup>1</sup>

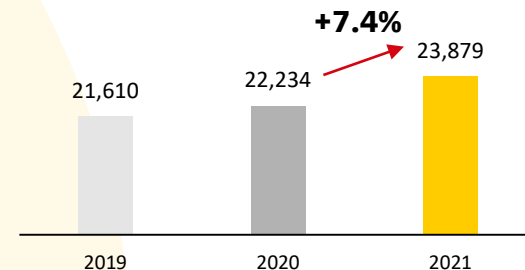
4.0% India

2021

+3.5%  
employees

<sup>1</sup> Headcount at year-end. <sup>2</sup> Or works agreements or statutory salary adjustments.

## Staff cost development (€m)



## Special bonus

As was the case in 2020, a special bonus of €300 was paid to all employees in 2021 for the additional strain they experienced due to the pandemic.

## Collective agreements

The remuneration of 74% of the workforce is covered by collective agreements<sup>2</sup>.

## Pensions

- 70% of our employees participate in defined benefit or contribution plans
- Pension plans in DE, UK, US, NL, CH





## ESG Roadmap 2030 aims and objectives: Great company to work for all

We promote open communication and provide a safe, non-discriminatory working environment where employees can develop as individuals.

We focus on three key areas.

We measure the success of our initiatives against three management-relevant KPIs.



### Ensure health at work

#### Offer a safe work environment

- Prevent accidents
- KPI: LTIFR<sup>1</sup>
- Target 2025: Reduce LTIFR to <3.1

<sup>1</sup> Lost Time Injury Frequency Rate per 200,000 hours worked. <sup>2</sup> In middle and upper management.

### Employer of Choice

#### Attract and retain the best talent

- KPI: Employee Engagement
- Target: Consistent approval rating of >80% in annual Employee Opinion Survey (EOS)

### Diversity and inclusion

#### Actively promote equal opportunities

- Promote women in management
- KPI: Increase share of women in executive positions<sup>2</sup>
- Target 2025: 30%

# The engagement of our employees is what drives our business success

Our motivated and engaged workforce is our greatest competitive advantage.

## Measuring engagement

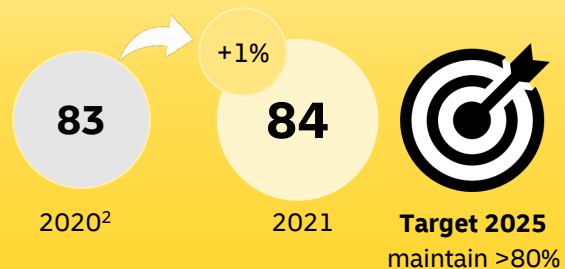
- Annual, Group-wide employee opinion survey
- Management-relevant KPI: Employee Engagement<sup>1</sup>

## Identifying areas for improvement

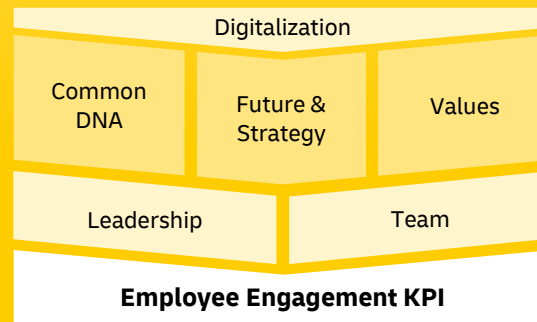
- Derive follow-up measures
- Share best practice examples with managers and teams
- Encourage dialogue

<sup>1</sup> Determined in conjunction with the annual, Group-wide Employee Opinion Survey. <sup>2</sup> Survey and prior-year results adjusted.

## Employee Engagement KPI

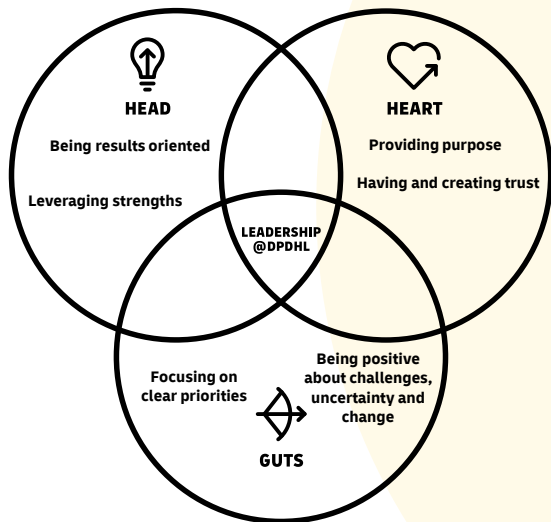


## Scope of Employee Opinion Survey



# We provide an environment in which our employees can be at their best every day

## Our Leadership Attributes



Our **leadership culture** makes the difference

Our managers lead and develop employees in line with our **six Leadership Attributes**

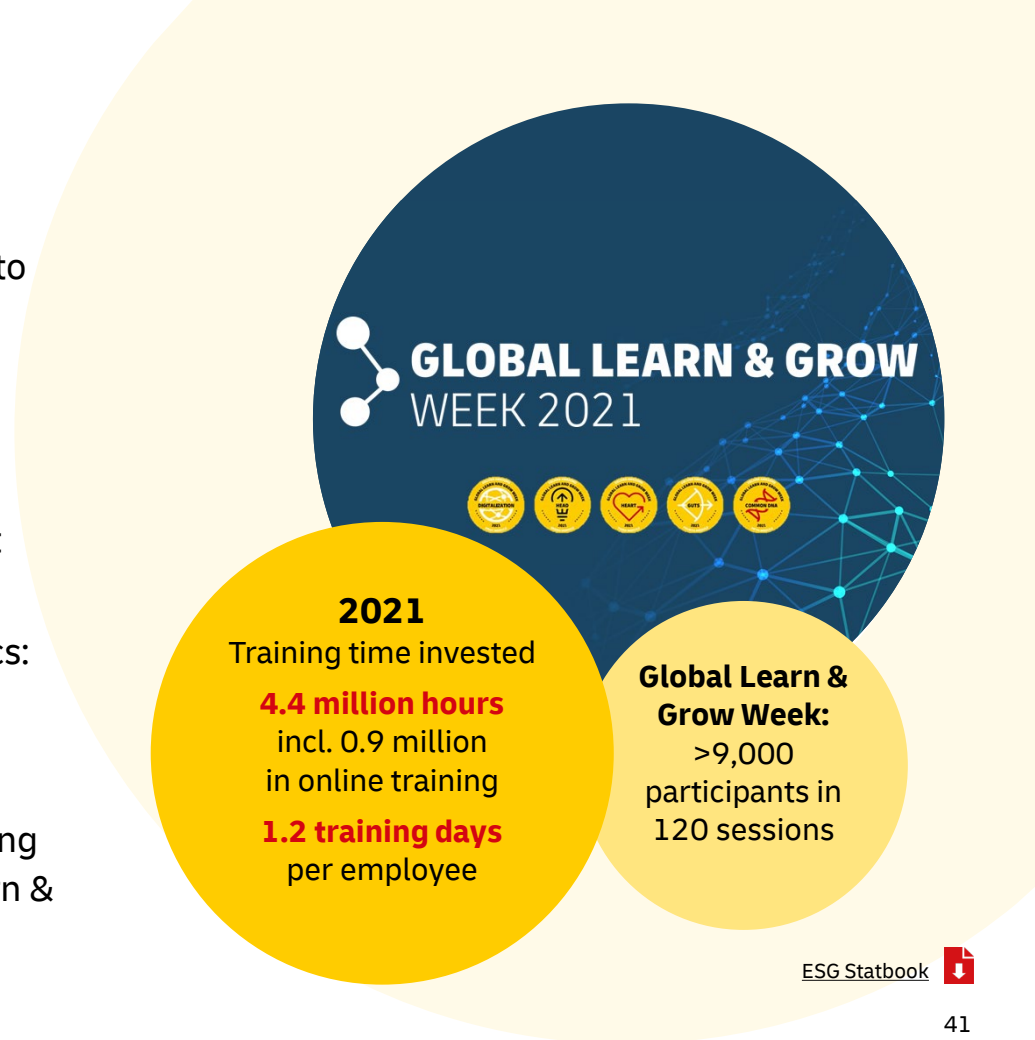


## Encouraging employee engagement

All employees can use our central online platform to book trainings and courses, including options for personal development plans. We offer:

- A wide variety of online and classroom-based trainings
- A broad training portfolio that caters to different learning needs
- A targeted focus on specialist and strategic topics:
  - Certified Expert training
  - Digital transformation

Lifelong learning is an important pillar in our training approach; it was made the focus of our Global Learn & Grow Week.



## Diversity and inclusion is our strength

Our understanding of diversity is not limited to gender, national or ethnic origin, religion, age, disability, or sexual orientation and identity<sup>1</sup>.

- We work together in the spirit of mutual trust and respect
- We provide a workplace that enables to maximum productivity, creativity and efficiency
- When filling vacant positions, we look solely at a candidate's qualifications to determine their suitability
- We expressly reject any and all forms of discrimination



2021

### Diversity

**34.7%** of our workforce is **made up by women**

**40** is the average age of Group employees

**179 nationalities** are represented across our workforce in Germany alone

### Inclusion

**Employees with disabilities**

**>14,500 employees with disabilities** work for Deutsche Post AG in Germany

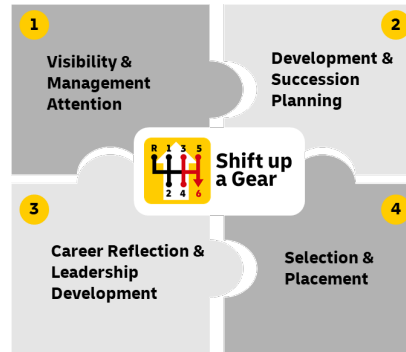
<sup>1</sup> Or any other characteristic protected by law.

## Our Focus: Increase the share of women in management<sup>1</sup>

We use various approaches and initiatives, including coaching, mentoring and networking opportunities, to encourage the targeted promotion of female junior staff and prepare them to take their next career step towards management positions.

### One example:

The Group-wide ‘Shift up a Gear’ initiative specifically aims to promote female managers with potential, helping them move up to target roles in upper management.



**2021**

**25.1%**

**Share of women  
in management<sup>1</sup>**

**Target 2025**

**Share of women  
in management<sup>1</sup>**

**at least 30%**

<sup>1</sup> In middle and upper management.

## Diversity and inclusion: Key initiatives in 2021

**DIVERSITY & INCLUSION**
**GLOBAL WEEK  
2021**

### Global engagement

This year's campaign was accompanied by global events held online and communications published in our internal media.

### Flying the flag

To mark International Day Against Homophobia, Biphobia, Interphobia and Transphobia (IDAHOBIT), rainbow flags were raised at many of our sites.



### Attracting women to logistics

Using a range of divisional programs, we promote a culture of equal opportunity and solidarity. Numerous initiatives and events of all kinds were held to mark International Women's Day.

### Pride Month June

Each year we demonstrate our commitment to combating discrimination and raising awareness for the cause.



Delivered with pride.



Delivered with pride.

## Best practice examples and awards received

### Best practice examples

#### Global D&I platform

Our Diversity & Inclusion Hub provides a central platform for employees where they can seek information and best practice examples

#### Express division

- **Cologne Hub:**  
**Inclusion department created**  
Employing colleagues on the autism spectrum and integrating them into existing teams
- **Leipzig Hub:**  
**Project for deaf employees**  
By creating an accessible workplace with pagers and blinking lights, we aim to enable the hiring of more deaf employees.

### Awards received

#### European Diversity Award 2021

RainbowNet, the LGBTIQ+ network at DPDHL Group, received the award in the category 'Outstanding Employee Network'.



#### Inklusionspreis für die Wirtschaft 2021

As one of the biggest inclusive employers in Germany, DPDHL Group received the Inclusion Award for Business in recognition of its inclusive corporate strategy, accessible structures and innovative solutions in training and employing people with disabilities.



#### Total E-Quality Award

For the 8<sup>th</sup> time in succession, Deutsche Post AG received the award for its equal opportunity-focused human resources policy. The distinction is awarded for a period of three years.



# Occupational safety and health

## OCCUPATIONAL SAFETY & HEALTH (OHS)

**The safety and health of our employees while at work is extremely important to us.**

- OHS is anchored in our Corporate Code of Conduct<sup>1</sup>
- We comply with the Group's occupational health and safety policies, statutory regulations and industry standards
- Our management system is compliant with ISO 45001
- We also require our business partners to adhere to these same standards<sup>2</sup>

We measure the success of these initiatives based on the Lost time injury frequency rate (LTIFR) per 200,000 hours worked.



## Health and well-being

**The health of our employees is pivotal for our success.**

We provide a health-promoting workplace:

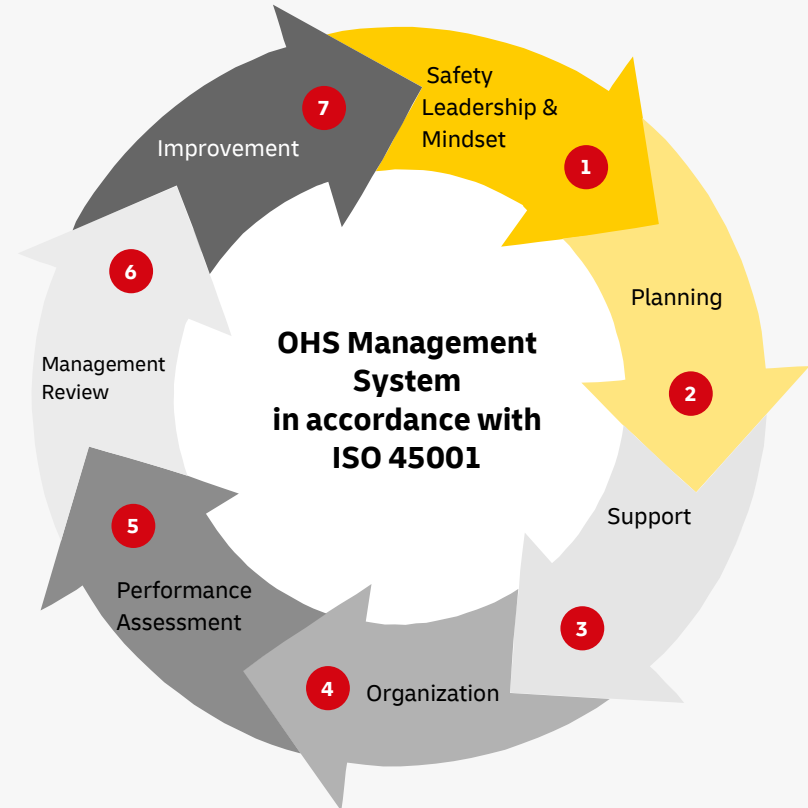
- Health-related opportunities and risks are identified and regularly assessed
- Employees are sensitized about the benefits of a healthy lifestyle
- Incentives are provided to local management to offer health-promoting programs
- The Chief Medical Officer advises the Board of Management in all matters regarding occupational health management, as well as dealing with pandemic or epidemic situations
- Employees in countries with no statutory health insurance cover are offered quality insurance services via our in-house employee benefits program

<sup>1</sup> Code of Conduct, Supplier Code of Conduct. <sup>2</sup> The Supplier Code of Conduct is a binding component of the Group's contracts with suppliers.



## The components of our OHS Management System

- Offering a safe, healthy and fulfilling work environment for our employees, and establishing a safety first culture
- Establishing effective processes to ensure business continuity for our customers
- Analyzing and documenting the causes of accidents in order to prevent them from being repeated
- Measures established:
  - Workplace risk assessments
  - Regularly instructing employees on potential risks and hazards, and conducting safety training
  - Preventive measures to protect employees (including external workers) and third parties





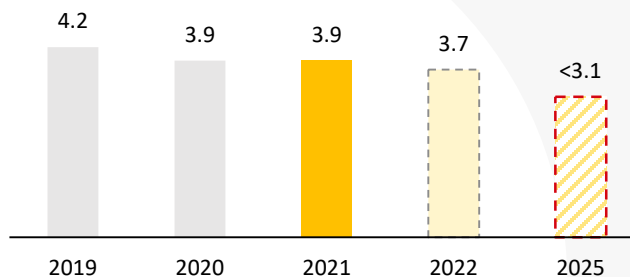
## Lost time injury frequency rate (LTIFR) trend and targets

In the year under review, we were able to maintain the previous-year level of 3.9, as planned. Each work-related accident led to 18.3 missed workdays on average.

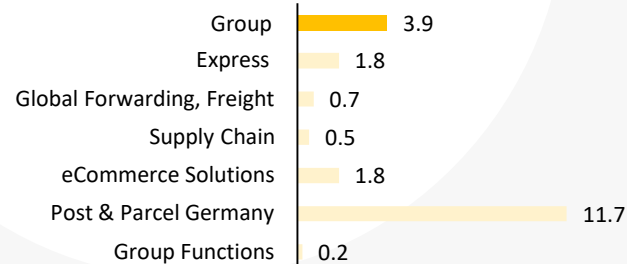
We have set an ambitious goal for 2022: lowering the injury rate to 3.7 despite the ongoing impact of the pandemic. We anticipate lowering this indicator to below 3.1 by 2025.



### LTIFR trend



### Accident rate (LTIFR) 2021 by divisions



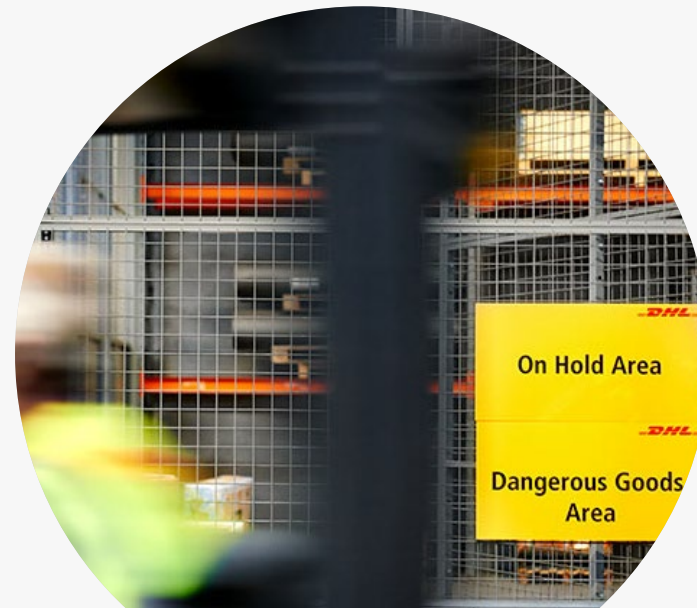




## Safe transport of dangerous goods and materials

We specialize in transporting dangerous goods and materials subject to our terms and conditions.

- Customers are required to declare, pack and label their dangerous goods shipments correctly
- Only specially trained employees are permitted to handle dangerous goods
- Dangerous goods are stored and transported in accordance with applicable national and international safety standards<sup>1</sup>
- In all divisions, dangerous goods safety advisors ensure compliance with prevailing regulations
- Dangerous goods guidelines are issued in the languages of the countries concerned



**Priority will always be given to the safety of our employees and to minimizing risk**

<sup>1</sup> Including IATA, IMDG Code, ADR, RID.



## Health and well-being

2021 was again dominated by the COVID-19 pandemic. We nonetheless continued implementation of our main health programs.

### COVID-19 prevention

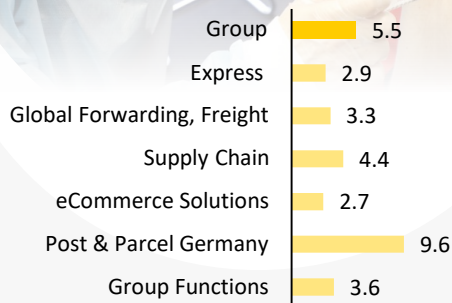
- Vaccinations and testing at locations throughout the Group
- Germany: 75,000 vaccinations have been administered

### Mental health

- Implementation of a new risk assessment and mindfulness programs
- Hotline introduced for employees



2021 Sickness rate (%)



### Healthy lifestyle

- Health-promotion measures introduced
- Germany: >65,000 initiatives launched
- Health-related content continuously integrated into our Certified training initiative
- Various offerings for maintaining and increasing fitness levels, including when working from home

### Employee benefits program

Some 250,000 employees in 100 countries are covered by the program

# CORPORATE CITIZENSHIP



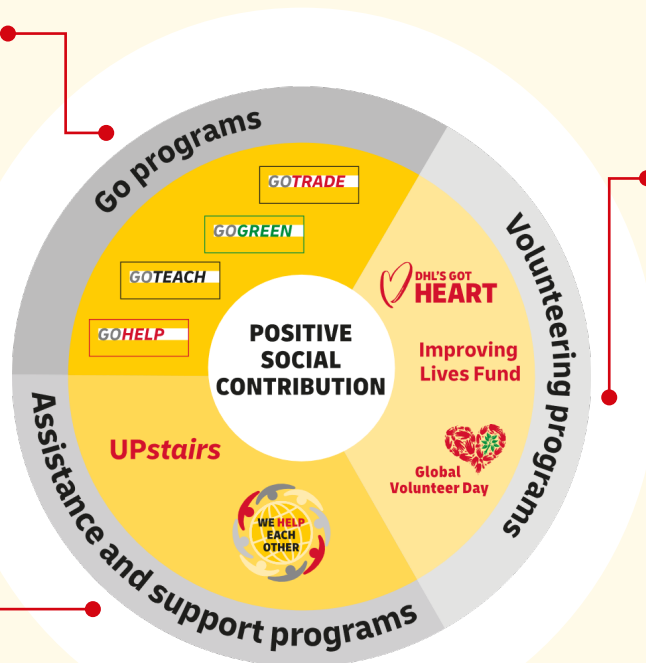
# We make a positive social contribution through our corporate citizenship programs

## Using our core competencies and strengths

- **GoHelp:** Disaster management
- **GoTeach:** Improving employability
- **GoGreen:** Protecting the environment
- **GoTrade:** Facilitating global trade

## Employee assistance and support

- Scholarships for employee children (UPstairs)
- Employees make donations to provide emergency assistance to colleagues who have been affected by natural disasters (We Help Each Other Fund)



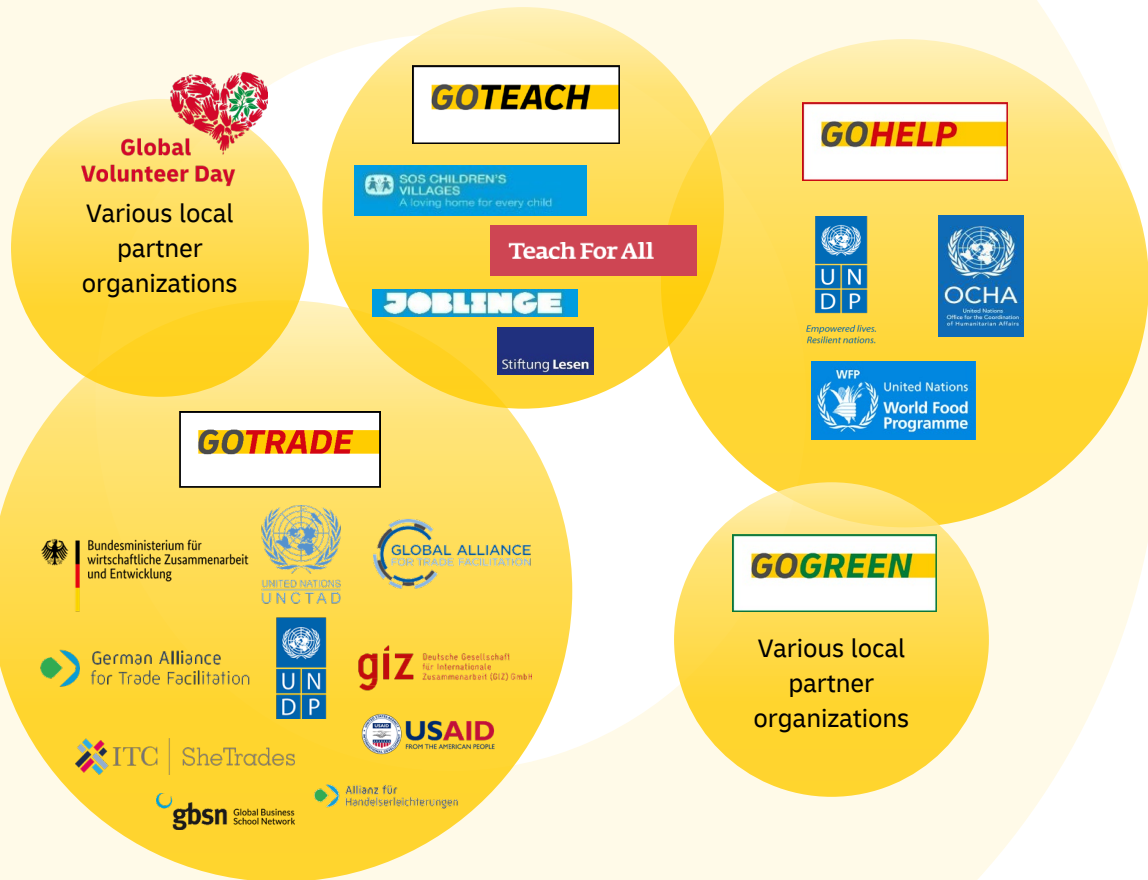
## Promoting social engagement

- **Global Volunteer Day (GVD)**  
Enabling year-round employee volunteering to serve community-level needs
- **Financial support**  
The Improving Lives Fund provides funding for social projects initiated by employees. Support for other projects comes from the divisions.

## Working with partners to ensure sustainable impact on the ground

We partner with established international organizations to ensure that our initiatives and programs have the greatest impact possible.

Our programs and partnerships support the UN Sustainable Development Goals (SDGs).





## Employee engagement (volunteering)

### Local projects (GVD)

In 2021, 148,000<sup>1</sup> employees volunteered locally

### Financial support

More than 100 outstanding projects received financial assistance from the Improving Lives Fund

### We Help Each Other (WHEO)

- Following the flood disaster in parts of Belgium, Germany and the Netherlands, our workforce donated generously to our We Help Each Other fund
- Around 500 employees received emergency financial assistance

<sup>1</sup> Of which 70,000 actively involved and 78,000 via donations.



**2021**  
WHEO helped following the flood disaster

- 500 employees received a total of €1.8 million in emergency support
- 2,500 employees offered local support

## Disaster management

In cooperation with the United Nations, we optimize logistics procedures and provide timely support at airports in the wake of natural disasters free of charge.

### Get Airports Ready For Disaster (GARD)

Develop preparedness procedures and response plans to avoid relief-supply bottlenecks at airports in the event of natural disasters

### Disaster Response Teams (DRTs)

- Provide timely support in the wake of natural disasters
- Handle a range of logistics tasks at airports
- Coordinate the transfer of relief supplies to humanitarian organizations

Offering aid and support in collaboration with the World Food Programme and locally with the Red Cross.



2021

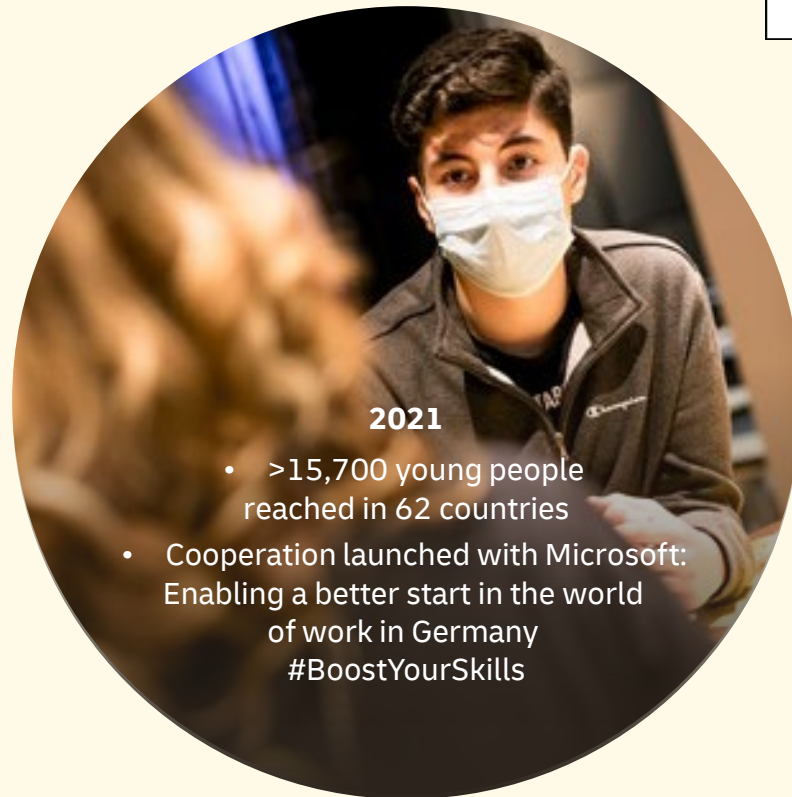
- DRT deployments in Indonesia and projects providing support in the COVID-19 pandemic
  - Training formats updated for digital use
  - Digital GARD workshops in Puerto Rico and Jamaica

## Improving employability

We aim at improving the employability of disadvantaged young people.

- Together with our partners we support young people who find themselves in socio-economically disadvantaged circumstances as a result of poverty, loss of family or being forced to flee their home country
- Our employees equip them with the skills and professional encounters needed for the world of work

We also make an active contribution to the integration of refugees in Germany. Some 17,000 refugees have been hired so far – 2,000 of them in 2021.



**2021**

- >15,700 young people reached in 62 countries
- Cooperation launched with Microsoft: Enabling a better start in the world of work in Germany #BoostYourSkills



## Protecting the environment

### Tree planting campaign

- We are engaged in forest conservation, working together with recognized partner organizations
- As part of our Mission 2025, we will plant a million trees every year

### Certified GoGreen Specialist

- The engagement demonstrated by our employees can make a substantial contribution to environmental protection
- We certify our employees as GoGreen specialists so as to actively involve staff in our environmental and climate protection activities



We encourage our employees to contribute to environmental and climate protection activities together with partners.

**GOGREEN**



**giz** Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

### Americas

- Michigan Habitat Restoration Project, US
- Campeche, Mexico
- Reforestation Project, Nicaragua
- Marianas, Brazil

### APAC

- Reforestation Cooperation Project, Vietnam (until 2021)
- Semarang, Indonesia

### Africa

Biodiversity Project, Madagascar

[Website](#)

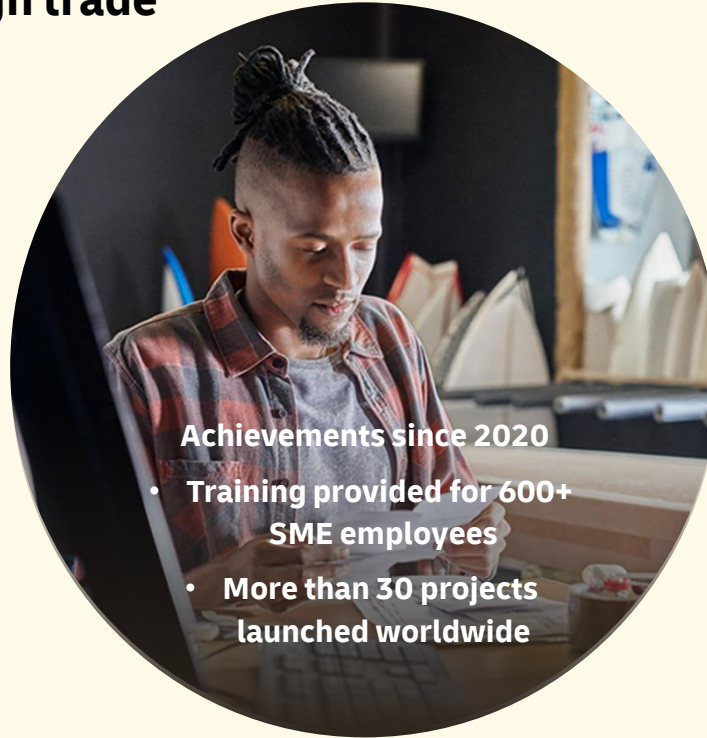


## Promoting growth through trade

With our expertise in trade and logistics, we enable sustainable growth in emerging economies and developing countries, and help reduce barriers to trade.

### Simplifying cross-border trade

- Provide expertise to speed up customs clearance
- Reduce delays and costs at borders and increase export/import volumes



### Achievements since 2020

- Training provided for 600+ SME employees
- More than 30 projects launched worldwide

### Enabling access to global markets

Enable small and medium-sized enterprises (SMEs) to power up their potential by providing trainings, e.g., in logistics, e-commerce, regulations and customer trends



## Contents

**1** ESG<sup>1</sup>-ROADMAP

**2** ENVIRONMENT

**3** SOCIAL

**4** GOVERNANCE

**5** RELATED LINKS  
AND CONTACTS

Monitoring and reporting

Risk management

Compliance

Cybersecurity

Respect for human rights

Corporate Internal Audit

Tax strategy

Corporate Public Affairs

Corporate Governance

<sup>1</sup> Environment, Social, Governance.



**“As the world's leading logistics provider, it is our responsibility to play an **active part in leading our industry towards a sustainable future.**”**

Melanie Kreis,  
Board Member for Finance  
Deutsche Post DHL Group



## ESG Roadmap 2030 aims and objectives

Clean operations for climate protection



### Focus

Reducing logistics-related GHG emissions

### Measures

- Use of sustainable technologies and fuels
- Road fleet electrification
- Climate-neutral design of new buildings
- Green product portfolio

### KPI

Realized Decarbonization Effects

Great company to work for all



### Focus

- Employee engagement
- Diversity and inclusion
- Occupational safety and health

### Measures

- Attract and retain the best talent
- Actively promote equal opportunities
- Healthy and safe work environment

### KPIs

- Employee Engagement
- Share of women in executive positions
- Lost time injury frequency rate (LTIFR) per 200,000 hours worked

Highly trusted company



### Focus

- Compliance: Rendering our services in compliance with current legislation and in accordance with our own values
- Cybersecurity
- Respect for human rights

### Measures

- Compliance-relevant trainings
- Cybersecurity skills
- Sustainable supplier relations

### KPIs

- Share of valid training certificates<sup>1,2</sup>
- Cybersecurity: Under development
- Audits relating to human rights

<sup>1</sup> In middle and upper management. <sup>2</sup> Management-relevant.



## Our goals on the path to becoming a role model for corporate governance

Our measures ensure legally-compliant, trustworthy and transparent practices – wherever we conduct business.

### Compliance<sup>1</sup>

- **Our aspiration:** Render our services in compliance with current legislation and in accordance with our own values
- **KPI:** Share of valid compliance-relevant training certificates in middle and upper management

### Cybersecurity<sup>2</sup>

- **Our aspiration:** We aim to rank among the top 25% of companies in the logistics sector
- **KPI:** Under development



### Respecting human rights

- **Our aspiration:** Prevent human rights violations
- **KPI:** Audits relating to respect for human rights

### Supplier relations

**Our aspiration:** Build sustainable and stable relationships using our Supplier Code of Conduct

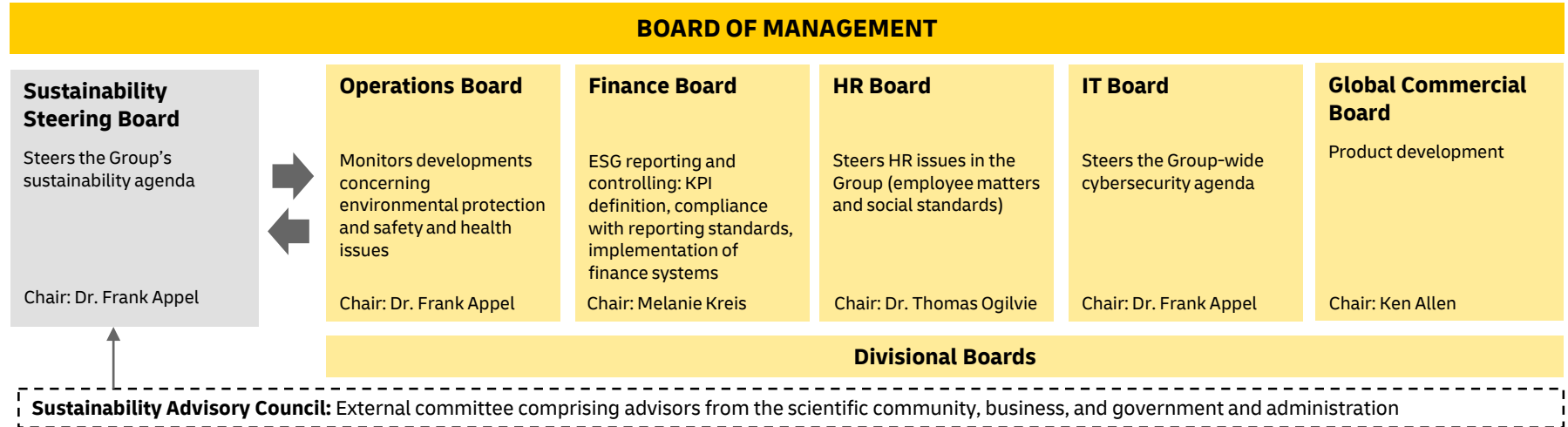
### Achieve transparency

**Our aspiration:** ESG KPIs fully integrated into governance processes and incentive systems

<sup>1</sup> Including anti-corruption and bribery. From 2022 KPI relevant to both management and remuneration. <sup>2</sup> Including data protection.

## Governance – Responsibilities for ESG topics on Board level

The Board of Management is the central decision-maker on Group-wide sustainability strategy, whereas the divisions are responsible for implementation. The progress achieved is regularly discussed by the Board of Management. The Sustainability Advisory Council provides perspectives from external stakeholders.



# Improving external reporting – linking finance and ESG reporting and becoming more transparent



## Annual Report

The non-financial statement (including on EU Taxonomy) is part of the 2021 Annual Report

[Nonfinancial statement](#) 

[EU Taxonomy](#) 



## ESG Presentation

Consolidates all ESG-related information along with progress realized in FY 2021

[ESG Presentation](#) 



## ESG Statbook

Contains all ESG data published since 2016 as well as reporting standard indexes<sup>1</sup>

[ESG Statbook](#) 

<sup>1</sup> GRI Standards, Sustainability Accounting Standards Board, TCFD, World Economic Forum.



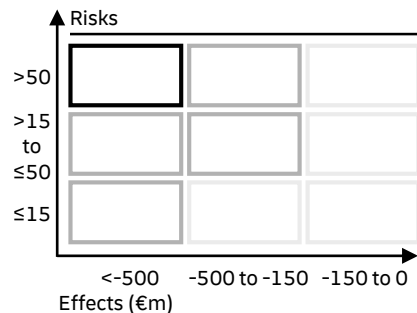
# Opportunity and risk management also takes in ESG-related opportunities and risks

Each quarter, executives estimate the impact of future scenarios, evaluate opportunities and risks in their departments and present planned measures and those already taken.

- Opportunities and risks can also be reported at any time on an ad hoc basis
- 2021 was the first year in which reporting was conducted in accordance with TCFD<sup>1</sup> recommendations

## Assessing quantitative risk

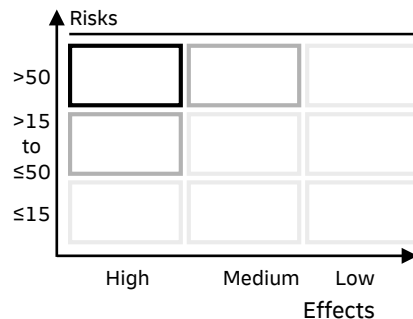
Probability of occurrence (%)



Significance for the Group:   Low   Medium   High

## Assessing qualitative risk

Probability of occurrence (%)



## Significant ESG-relevant risks in 2021

Category	Risk
Operational	Risk of operational restrictions due to climate change
Information technology	IT security incident
Market and customer-specific	Availability of sustainable aviation fuels <sup>2</sup>
Regulation	<ul style="list-style-type: none"> <li>• Carbon pricing</li> <li>• Restriction of GHG emissions</li> </ul>
Environment, natural disasters and epidemics	COVID-19

<sup>1</sup> Task Force on Climate-related Disclosures. <sup>2</sup> Sustainable Aviation Fuels (SAF).



## TCFD analysis identifies only transitory risks as significant

In the reporting period, we assessed for the first time our opportunities and risks arising from climate change using a scenario analysis according to the standards of the Task Force on Climate-related Financial Disclosures (TCFD). Only transitory risks were identified as significant.

### Assessment of physical<sup>1</sup> risk

- **Chronic:** Impacts of heat, increasing precipitation, rising sea levels, increased drought, impacts of fire
- **Acute:** Tropical storms, floods

### Assessment of transitory<sup>2</sup> risk

- From regulations and directives
- From technology
- Changed market conditions
- Reputation

### Outcome of the analysis

#### No significant physical<sup>1</sup> risk

- Sites are subject to limited risk due to worsening climate scenarios
- Flexible business models enable us to adjust and relocate assets

#### Significant transitory<sup>2</sup> risks identified

<sup>1</sup> Scenario for physical risk: Carbon concentration scenarios based on scientific work behind the Paris Agreement (Intergovernmental Panel on Climate Change: RCP 2.6, 4.5, 8.5). <sup>2</sup> Scenario for transitory risk: Sustainable development scenario developed by the International Energy Agency (IEA).

## Significant transitory risks identified

The outcome of the TCFD analysis reinforces the direction taken in our climate protection approach.

### Transitory risks

- Carbon pricing trends
- Restrictions on GHG emissions
- Operational restrictions due to increasing regulation
- Availability of sustainable fuels

Our  
measures

Clean operations  
for climate protection



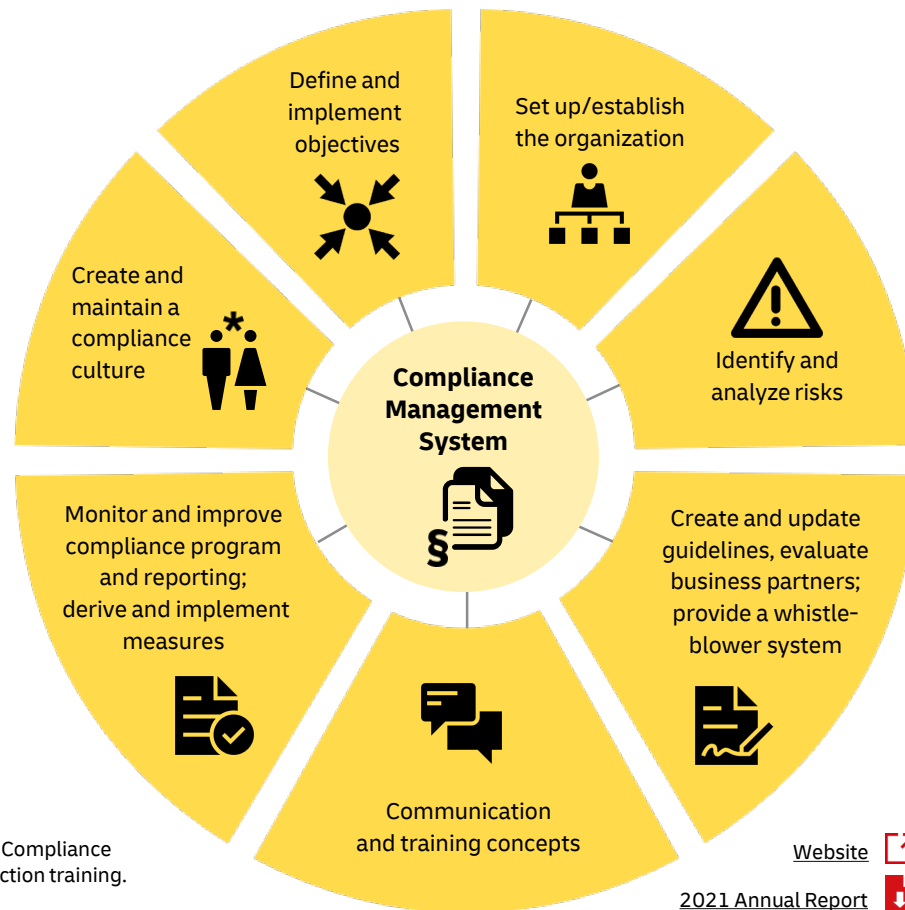
- Mission 2050: Reduce all logistics-related emissions to net zero
- Mid-term target for 2030: Reduce GHG emissions to <29 million tonnes CO<sub>2</sub>e (including Scope 3)
- Additional expenditures for sustainable technologies and fuels, fleet electrification in pick-up and delivery, and climate-neutral building design



## Elements of the Compliance Management System

Acting in an ethically and legally irreproachable way in our dealings with employees and others is a key factor in our company's reputation and the basis for DPDHL Group's lasting success.

- We commit to applicable international anti-corruption standards and laws, and are a member of PACI<sup>1</sup>
- Ensuring legally compliant conduct in our business activities and when dealing with our employees is an essential task of the Group's management bodies
- Compliance-relevant training<sup>2</sup> is mandatory for management<sup>3</sup>: Here, the KPI is the share of valid training certificates



<sup>1</sup> The World Economic Forum's Partnering Against Corruption Initiative. <sup>2</sup> Comprising the Core Compliance Curriculum (anticorruption training, competitive compliance, Code of Conduct) and data protection training.

<sup>3</sup> In middle and upper management.

# Anti-Corruption and Business Ethics Policy

We act out of conviction and in accordance with applicable laws and regulations.

## Clear and concise standards

- The rules for ethical conduct are defined in our Code of Conduct and are set out in greater detail in our Anti-Corruption and Business Ethics Policy
- This policy also sets out rules on how to deal with donations and gifts to political parties and government institutions. They apply to every level and for each and every employee in the Group
- Compliance training<sup>1</sup> takes a modular approach: depending on their function, employees are required to complete either all or only selected training modules. Completion of all training modules is mandatory for managers

## Whistleblower system

- Any suspected violations of legal and internal rules or guidelines can be reported at any time via a range of different channels
- Incidents can be reported any time via the whistleblower system, supervisors, HR departments or the Compliance function
- Third parties can report their suspicions via a form on the Group's website



Diverse channels for incident reports

Available worldwide,  
24 hours a day

>40 languages

**SEE IT.  
SAY IT.  
STOP IT!**


<sup>1</sup> Comprising the Core Compliance Curriculum (anticorruption training, competitive compliance, Code of Conduct) and data protection training.

## Cybersecurity protects business operations

Our cybersecurity management activities protect the information of the Group, our business partners, our employees and our IT systems from unauthorized access or manipulation and data misuse.

- Ensure uninterrupted availability and enable reliable operations
- Guidelines and procedures based on ISO 27002
- Central functions<sup>1</sup> and divisional Chief Information Security Officer functions monitor and assess cyber risk on an ongoing basis
- Employees are granted access to our systems and data only to the extent required to perform their work
- IT systems and data are backed up on a regular basis, and critical data are replicated in the data centers
- Regular software updates prevent potential security gaps and ensure functionality

<sup>1</sup> Group Risk Management, IT Audit, Data Protection and Corporate Security.



**ISO 27001**  
certified data  
centers

## Respecting human rights: Our guidelines and measures

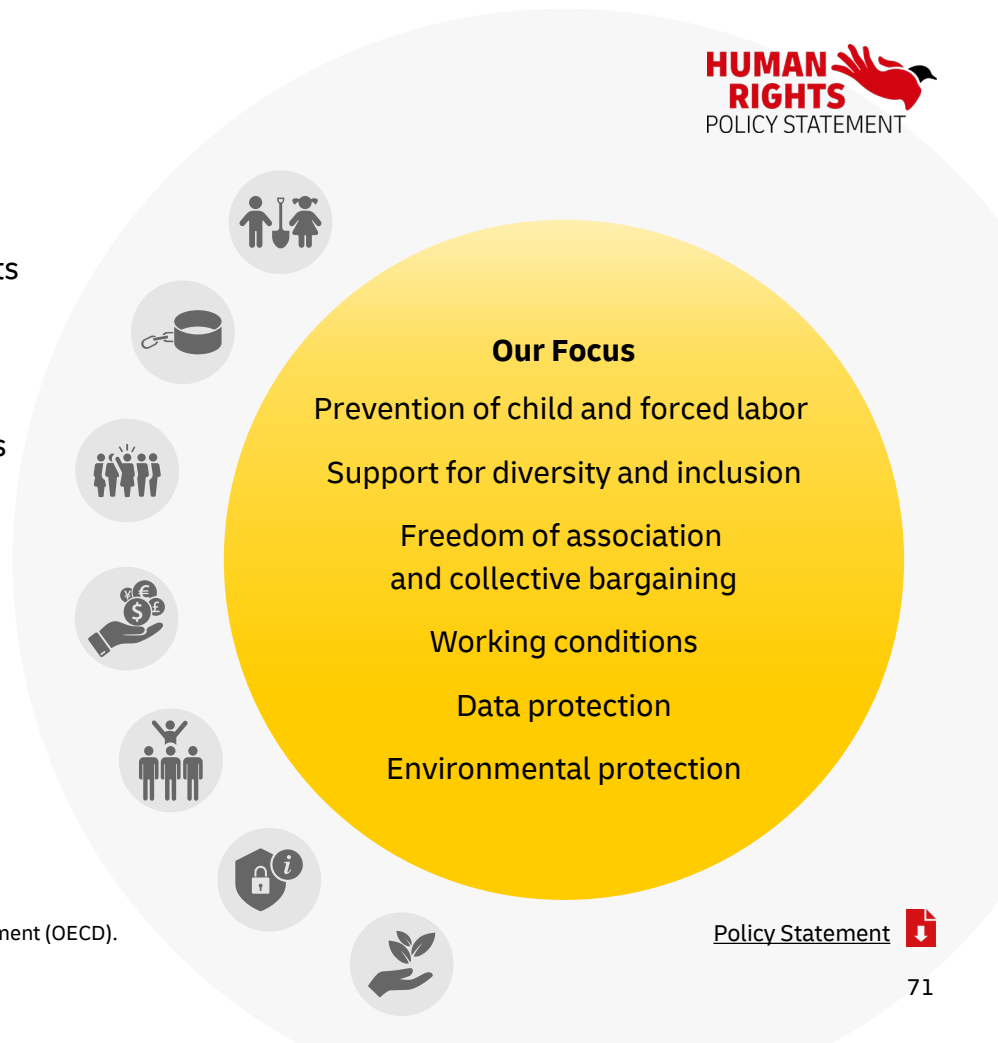
The Code of Conduct is based on principles and guidelines of the UN (including ILO<sup>1</sup>) and the OECD<sup>2</sup>. With our Human Rights Policy Statement, we focus on human rights relevant for our business and operations. Both policies are binding for all employees in the Group.

Accountability for execution of our principles and guidelines is overseen by the Corporate Board.

### Our measures

- Trainings to raise employee awareness of the need to respect human rights in daily operations
- Risk assessment and mitigation via on-site reviews
- Audits conducted by Corporate Internal Audit relating to respect for human rights
- Grievance mechanisms and remedies

<sup>1</sup> International Labour Organization. <sup>2</sup> Organization for Economic Co-operation and Development (OECD).



## Human Rights Management System: Measures in 2021



<sup>1</sup> Based on external criteria from Verisk Maplecroft's Human Rights Index, Transparency International's Corruption Perceptions Index and recommendations from the Global Union Federations.



## Risk assessment and mitigation via on-site reviews

Since 2013, on-site reviews have been conducted in all geographical regions as part of the Human Rights Due Diligence process.



# Building a sustainable and resilient supplier base

## What we expect from suppliers and subcontractors

### Measurable contribution to climate-neutral logistics

Targeted climate and environmental protection measures with measurable goals

### Contribution to our social responsibility

Provide transparency on respect for human rights and diversity and inclusion

### Contribution to responsible corporate governance

Participate proactively in our due diligence activities and implement similar activities in their own supplier base

### Awareness and training

- Communications intensified<sup>1</sup> and a supplier survey
- Multilingual, interactive and certified training for suppliers and targeted training for our employees

### Risk assessment, due diligence and monitoring

- Group-wide, consistent data-driven approach to identify high risk spend categories and suppliers
- Ensure suppliers are compliant with our Supplier Code of Conduct
- Process is supported by assessments and audits
- Consequence management for suppliers who may pose a risk to the Group

<sup>1</sup> Newsletters and webcasts.



## Supplier management – Raising standards through the entire life cycle

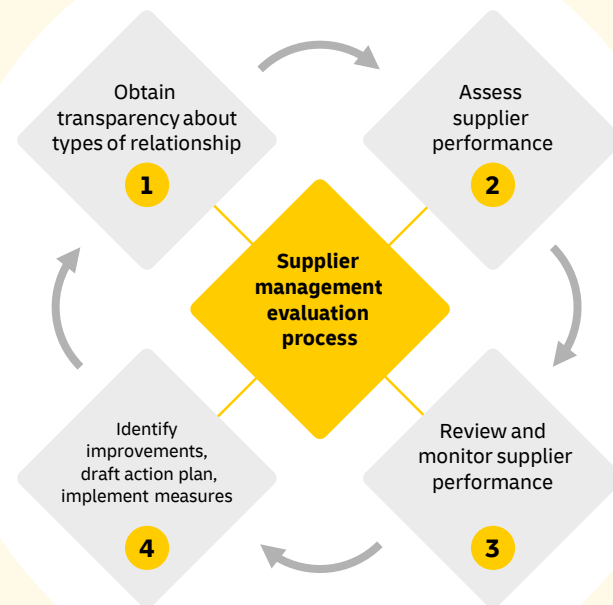


The goal of our standardized, multistep selection process is to ensure that, right from the tender stage, only bidders who share our values are invited to participate.

- In line with our Corporate Procurement Policy, we prefer suppliers and transportation service providers with high environmental and social standards
- We also use external supplier evaluations and have defined threshold values in order to enable the highest possible quality and objectivity during tendering procedures

Information regarding specific supplier violations is investigated directly. If confirmed, an action plan is prepared with a fixed timeline. Depending on the severity of the violation, the business relationship may ultimately be terminated.

### Our four-step process to evaluate strategic partners



[Reporting violations](#)

# Environmental and social standards in the supply chain

With our Supplier Code of Conduct<sup>1</sup> (the Code) we implement our values in our supplier base. Acceptance of the Code is a requirement of suppliers doing business with DPDHL Group. In doing so, our suppliers commit to respecting our ethical and environmental principles and implementing them in their supply chains.



## Child Labor

No employment of children under the legal age of 15



## Health & Safety

Ensure compliance with applicable occupational health and safety regulations



## Diversity & Inclusion

Encourage diversity and inclusion in the workplace



## Environment

Ensure compliance with all applicable laws, regulations and standards



## Compensation and working hours

Local laws, mandatory industry standards regarding minimum wages, working hours



## Forced Labor

No forced, bonded, compulsory labor or modern forms of slavery



## Data Protection

Adherence to applicable data protection laws and regulations



## Business Continuity

Preparations for business disruptions of all kinds must have been made



## Freedom of association/collective bargaining

Employees are free to decide whether to join a union or employee representative body



## Bribery

Comply with applicable national and international laws and regulations



## Continuous Improvement

Proactively exchange innovative ideas



## Conflict Minerals

Comply with all applicable laws

<sup>1</sup> Last updated in 2020.



## Corporate Internal Audit

Corporate Internal Audit evaluates the effectiveness of our risk management system, control mechanisms, and management and monitoring processes, contributing to their improvement.

- Performing independent regular and ad hoc audits at all Group companies and at corporate headquarters with the authority of the Board of Management
- The audit teams discuss the audit findings and agree on measures for improvement with the audited organizational units and their management
- The Board of Management is regularly informed of the findings. The Supervisory Board is provided with a summary once a year



2021

**207 audits** conducted on-site or remotely, of which **19** relating to observing human rights

## Adhere to tax strategy Group-wide

As a good tax payer, with our tax contributions we enable the countries where we do business to reduce and eliminate poverty and to reduce inequality. Our worldwide tax expert network ensures compliance in a complex tax environment.

### Our Guiding Principles

- We ensure global compliance with our tax strategy
- We pay taxes where we do business and create value
- We are a responsible tax payer
- Risk appetite – we do not enter into artificial tax structures
- We adhere to the wording of tax laws and their intended purpose
- We use the possibility to align with tax authorities and tax advisors to reduce uncertainty

### Taxes and social security contributions

€m	2020	2021
Income taxes paid	754	1,323
Other business taxes	306	322
of which taxes on capital, real estate and vehicles	132	133
other operating taxes	174	189
Employer's social security contributions	2,705	2,921
<b>Total</b>	<b>3,765</b>	<b>4,566</b>

## Corporate Public Affairs – Protecting interests, creating transparency

Wherever regulation for transparency on lobbying activities exists we fully comply with these regulations and report on the type, scope and financing of the activities we pursue to support our business interests.

- We have been registered in the EU's transparency register since 2011 and also publish our spending for public policy in the United States
- Effective from 2022, Deutsche Post AG is registered in the lobby register of the German Bundestag
- Our employees are generally prohibited from making donations on behalf of the company
- However, employees are in no way hindered from exercising their rights within the realms of prevailing law<sup>1</sup>



<sup>1</sup> For example, in the USA: Political Action Committees (PACS).

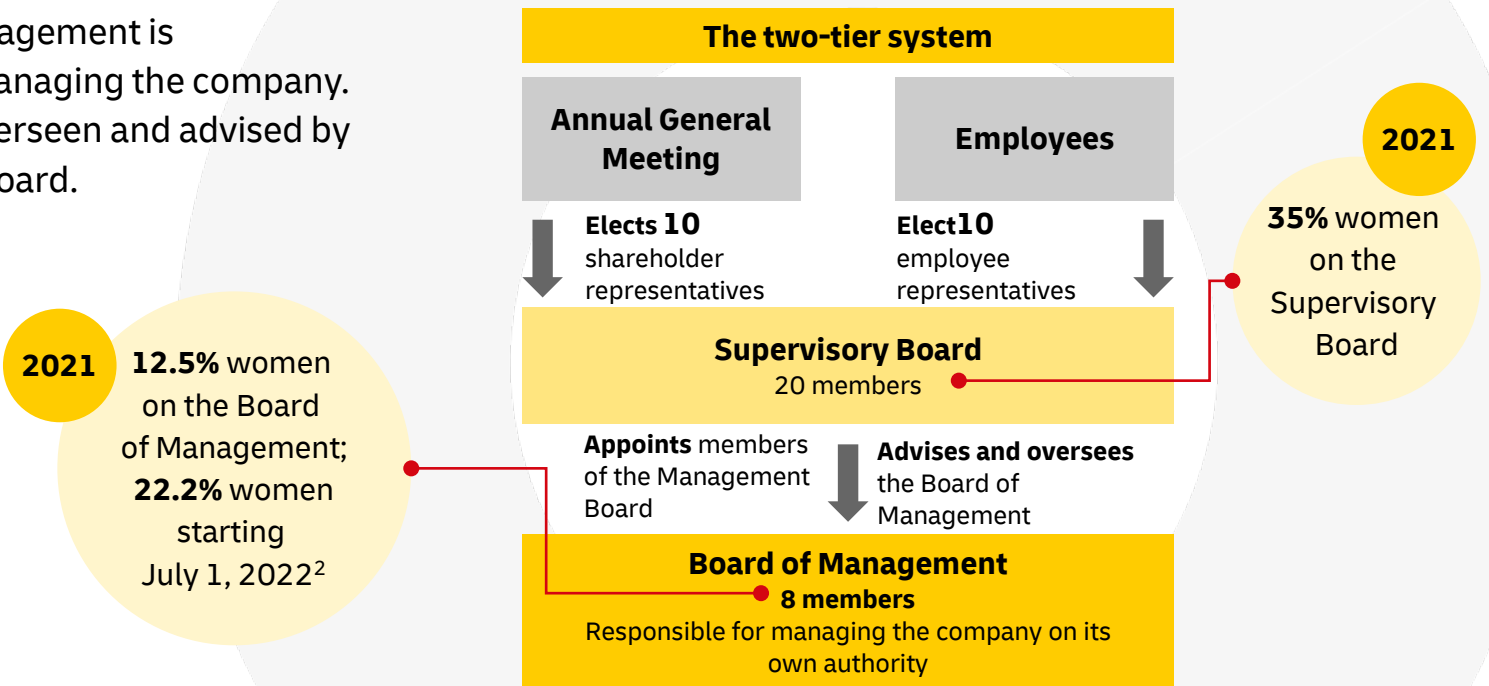
# CORPORATE GOVERNANCE





## The Group's dual management system<sup>1</sup>

The Board of Management is responsible for managing the company. It is appointed, overseen and advised by the Supervisory Board.



<sup>1</sup> As a listed German public limited company, Deutsche Post AG has a two-tier board structure.

<sup>2</sup> As of July 1, 2022, the Board of Management will comprise 9 members (see slide 84).

# Objectives and Committees of the Supervisory Board

## Targets for the composition and skills profile of the Supervisory Board

- Independence<sup>1</sup> of at least 60% of shareholder representatives of the Supervisory Board
- At least 30% women
- International knowledge and experience either by origin, education or professional experience
- Provide competent advice on fundamental future issues, in particular digital transformation
- Sufficient expertise of accounting and financial statement audits, including international developments in accounting
- Age limit of 72 years at end of term of office
- In general not more than three full terms of office

<sup>1</sup> As defined in C.6 of the German Corporate Governance Code.

## Committees of the Supervisory Board

### Executive Committee

Chair:  
Dr. Nikolaus von Bomhard

### Mediation Committee

Chair:  
Dr. Nikolaus von Bomhard

### Finance & Audit Committee

Chair:  
Dr. Stefan Schulte

### Nomination Committee

Chair:  
Dr. Nikolaus von Bomhard

### Personnel Committee

Chair:  
Andrea Kocsis

### Strategy and Sustainability Committee

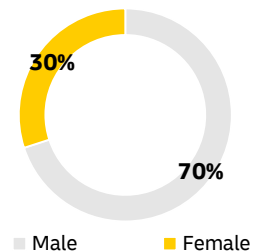
Chair:  
Dr. Nikolaus von Bomhard

## Shareholder Representatives on the Supervisory Board

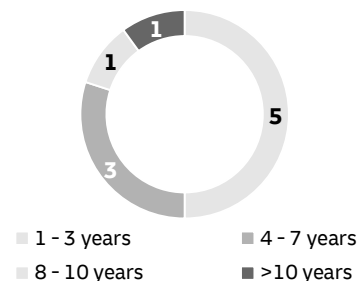
Members of the Supervisory Board	Independence <sup>1</sup>	Gender	Mitgliedschaft		Executive Committee	Finance & Audit Committee	Personnel Committee	Mediation Committee	Nomination Committee	Strategy and Sustainability Committee
			Statutory Supervisory Board	Comparable Bodies						
Dr. Nikolaus von Bomhard	●	M	1	1	V <sup>2</sup>		X	V <sup>2</sup>	V <sup>2</sup>	V <sup>2</sup>
Dr. Günther Bräunig	●	M	2	0						X
Dr. Mario Daberkow	●	M	0	6 <sup>3</sup>						
Ingrid Deltenre	●	W	0	4	X		X		X	
Dr. Heinrich Hiesinger	●	M	3					X		X
Dr. Jörg Kukies	●	M	1 <sup>3</sup>	0	X	X			X	
Simone Menne	●	W	1	2		X				
Lawrence Rosen	●	M	2 <sup>3</sup>	1						
Dr. Stefan Schulte	●	M	0	6 <sup>3</sup>		V <sup>2</sup>				
Prof. Dr.-Ing. Katja Windt	●	W	1	0						

<sup>1</sup> Independence definition according to C.6 of the German Corporate Governance Code. <sup>2</sup> Chair. <sup>3</sup> Group mandate.

### Shareholder representatives by gender



### Term of office of shareholder representatives



[Curriculum vitae](#) 

## Members of the Board of Management



**Melanie Kreis**

Chief Financial Officer (CFO)

- Member since Oct. 2014
- Appointed until May 2027



**Dr. Frank Appel**

Chairman of the Board (CEO)


- Member since Nov. 2002
- CEO since Feb. 2008
- Appointed until May 2023




**Dr. Thomas Ogilvie**

Board Member for HR

- Member since Sep. 2017
- Appointed until Aug. 2025

[Curriculum vitae](#) 

[2021 Annual Report](#) 



**John Pearson**

CEO  
DHL EXPRESS

- Member since Jan. 2019
- Appointed until Dec. 2026



**Tim Scharwath**

CEO DHL GLOBAL  
FORWARDING, FREIGHT

- Member since June 2017
- Appointed until May 2025



**Oscar de Bok**

CEO  
DHL SUPPLY CHAIN

- Member since Oct. 2019
- Appointed until Sep. 2027



**Ken Allen**

CEO  
DHL ECOMMERCE SOLUTIONS

- Member since Feb. 2009
- Appointed until July 2022



**Dr. Tobias Meyer**

CEO  
POST & PARCEL GERMANY<sup>1</sup>

- Member since 2019
- Appointed until March 2027

<sup>1</sup> Responsibilities for Global Business Services from July 2022. CEO from May 4, 2023. Nikola Hagleitner takes over as Board Member for Post & Parcel Germany from July 1, 2022.

# Board of Management – 2021 Remuneration Range

**Total compensation**  
(without fringe benefits and pension plan)

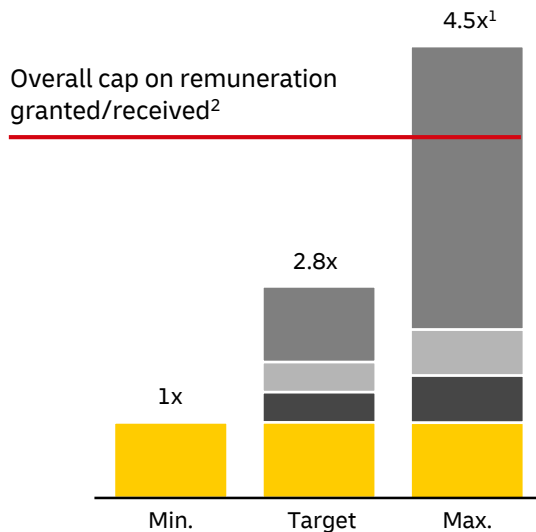
**Variable compensation**

- Long-term component
- Medium-term component (Deferral)
- Annual bonus

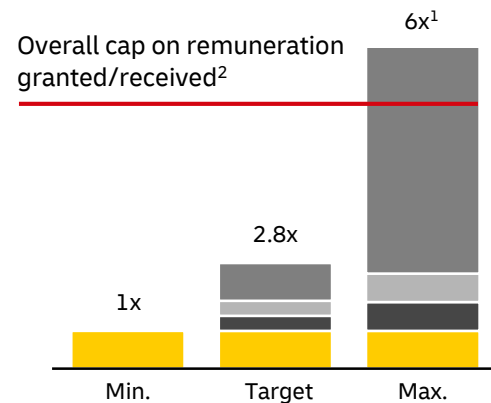
**Fix annual compensation**

- Base salary

## Chairman of the Board

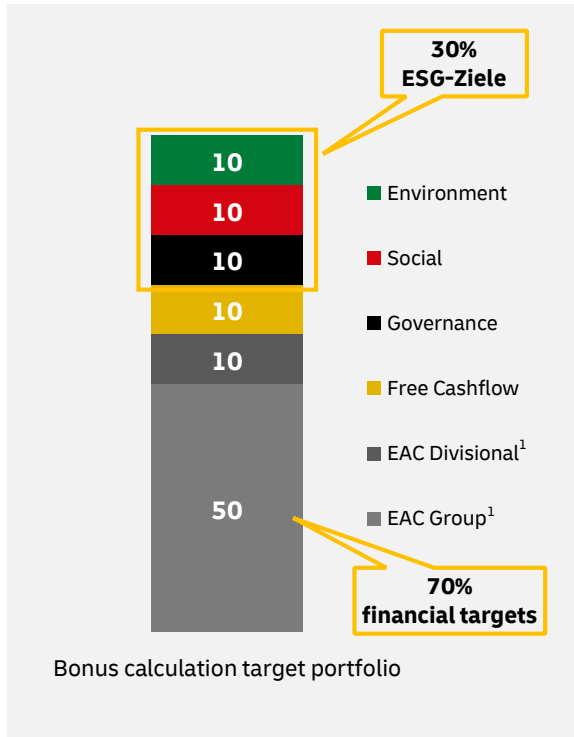


## Other Board members



<sup>1</sup> From 2022, annual bonus including medium-term component can be decreased or increased by up to 20% (bonus/malus option) in extraordinary circumstances. Maximum remuneration in case of increase is 4.7 (CEO)/ 6.2 (other Board members). <sup>2</sup> From 2022.

## ESG targets fully integrated into Board of Management remuneration for 2022



### 30% ESG targets

#### Environment 10 %

Realized Decarbonization Effects

#### Social 10 %

Employee Engagement Group-wide

#### Governance 10 %

Share of valid compliance training<sup>4</sup> certificates in middle and upper management

### Bonus payment schedule for annual bonus and deferral<sup>2</sup>

- 50% paid in current year if bonus criteria achieved
- 50% payout of achieved bonus deferred by additional two years<sup>3</sup>

<sup>1</sup> Weighting for the EAC of the Group is 60% for the CEO and for the Board Members for Finance and Human Resources. For the other members of the Management Board, the EAC of the Group is weighted at 50% and the EAC of the division for which they are responsible at 10%. <sup>2</sup> Deferral. <sup>3</sup> Medium-term component will only be paid out if EAC target is reached during the sustainability phase, i. e. at least the cost of capital was covered. <sup>4</sup> Covers the core compliance curriculum and data protection.

## Board of Management – Remuneration Long-Term Component

### Cash remuneration linked to the company's share price performance

- Participation in Long-Term Incentive Plan (LTIP) requires personal investment of 10% of annual base salary
- Four-year vesting period
- Granted SARs can only be exercised if share-price based performance targets are met

### 1- Allocation of LTIP

**100% of annual base salary on grant date**

### 2 - Exercisable Options

SAR performance targets

Thesholds

Number of exercisable SARs

Performance versus STOXX Europe 600

+10%

1/6

+0%

1/6

+25%

1/6

+20%

1/6

+15%

1/6

+10%

1/6

Absolute increase in share price

## Board of Management – Remuneration Caps

### Total caps limit the maximum annual payout

#### From 2021

Remuneration granted in financial year capped to €8.15 million for CEO, €5.15 million for other Board members (including fringe benefits)

#### From 2022

Additional cap on remuneration received in a single financial year in the amount of €8.15 million for CEO, €5.15 million for other Board member (including fringe benefits)

### Overall cap on remuneration granted: Example 2021

#### Remuneration components included

- Long-Term Incentive Plan 2021 tranche
- Deferral from 2021 annual bonus
- Proportion of 2021 annual bonus for immediate payout
- Fringe benefits 2021
- Base salary 2021
- Pension expense<sup>2</sup> 2021

### Overall cap on remuneration received: Example 2022

#### Remuneration components included

- Long-Term Incentive Plan 2016/2017/2018 tranches<sup>1</sup>
- Deferral from 2020 annual bonus
- Proportion of 2022 annual bonus for immediate payout
- Fringe benefits 2022
- Base salary 2022
- Pension expense<sup>2</sup> 2022

<sup>1</sup> The time the tranches are paid depends on when they are exercised within the two-year exercise period. <sup>2</sup> Service cost.





## Contents

- 1 ESG<sup>1</sup>-ROADMAP
- 2 ENVIRONMENT
- 3 SOCIAL
- 4 GOVERNANCE
- 5 RELATED LINKS AND CONTACTS**

<sup>1</sup> Environment, Social, Governance.





## Related links and contacts

### Related links




#### Reporting 2021

-  [2021 Reporting Hub](#)
-  [2021 Nonfinancial statement](#)
-  [2021 Financial statements](#)
-  [2021 List of shareholdings](#)
-  [2021 ESG Statbook \(XLSX download\)](#)
-  [2021 Annual Report](#)
-  [Nonfinancial statements 2017 - 2019](#)



#### Further Group websites

-  [Corporate website](#)
-  [Group policies and guidelines](#)
-  [Green product portfolio](#)
-  [Divisions](#)

#### Future of logistics

-  [Global trade](#)
-  [DHL Innovation Center](#)
-  [Recent studies](#)

### Contacts

-  [Investor Relations team](#)
-  [Press contact](#)  
[Corporate Issues & Sustainability](#)