



LIVING RESPONSIBILITY

Corporate Responsibility Report 2010



LIVING
RESPONSIBILITY

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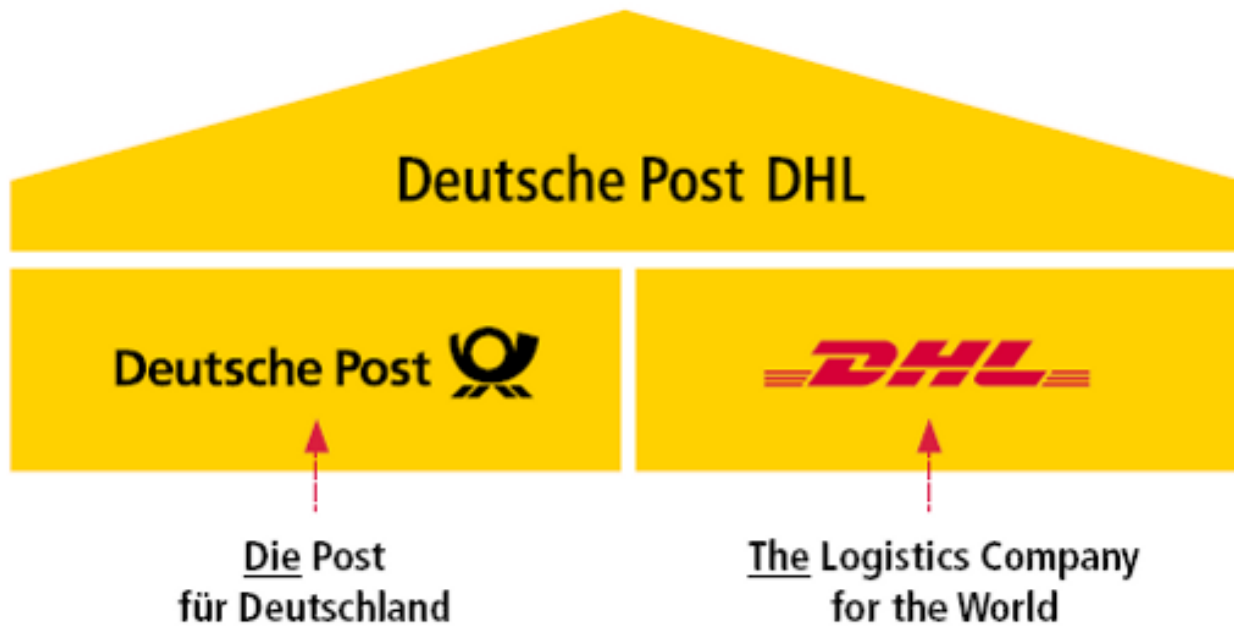
AT A GLANCE



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About Deutsche Post DHL



Deutsche Post DHL is the world's leading mail and logistics services group.

The Deutsche Post and DHL corporate brands represent a one-of-a-kind portfolio of logistics (DHL) and communications (Deutsche Post) services. The Group provides its customers with both easy to use standardized products as well as innovative and tailored solutions ranging from dialog marketing to industrial supply chains. About 470,000 employees in more than 220 countries and territories form a global network focused on service, quality and sustainability. With programs in the areas of climate protection, disaster relief and education, the Group is committed to social responsibility. In 2010, Deutsche Post DHL revenues exceeded €51 billion.

The postal service for Germany. The logistics company for the world.

CEO statement

Dear readers,

Following the severe global financial and economic crisis, the global economy, particularly Asia's rising economies, has shown real signs of recovery over the past year. As a logistics service provider with global operations, Deutsche Post DHL has also benefited from this upswing with an extremely positive trend in its business.

As a result of successful restructuring and enhanced profitability, our Group is in a better position today than ever before – and we also see this as evidence of the success of our Strategy 2015. Through activities focused on our guiding principle “Respect and Results”, we want to become Provider of Choice, Employer of Choice and Investment of Choice. These objectives, and hence our strategy, frame our approach to Corporate Responsibility and involve making a sustainable contribution to society and the environment. In doing so, we also take the principles of the UN Global Compact into account.

Under the motto “Living Responsibility”, we have made significant progress in the areas of environmental protection (GoGreen), disaster management (GoHelp) and championing education (GoTeach) in 2010.

In view of the tight meshing of logistics processes with the value chains of industry and commerce, logistics needs to be part of the solution in combating climate change. Deutsche Post DHL was the first global logistics service provider to set itself a quantified CO₂ efficiency target. Through the GoGreen program, we aim to minimize our business' impact on the environment, taking a strong focus on carbon efficiency. And we are already seeing the first results: In 2010, we significantly exceeded our intermediate target of a 10 % carbon efficiency improvement by 2012 for our own operations. This was achieved by our comprehensive GoGreen measures, including network optimization, refueling – with a considerable impact from modernizing our air fleet – testing alternative vehicles and improving building efficiency. Our 470,000 employees worldwide helped us reach these great results by integrating resource efficiency into their daily business actions.

By selling green solutions to our customers, they also contributed to the remarkable success of our *GOGREEN* product portfolio: We were the first provider of carbon-neutral services, which achieved strong growth to more than 1.7 billion *GOGREEN* shipments in 2010.

With our global presence in over 220 countries and territories, we also utilize our employees' know-how precisely where it is needed most – in the wake of natural disasters when professional relief supply logistics can mean the difference between life and death. As part of our GoHelp activities and in cooperation with the United Nations, our DHL Disaster Response Teams again carried out valuable work in Haiti, Chile, Guatemala and Pakistan last year. Our program GARD – Get Airports Ready for Disaster – was successfully implemented in Nepal at five airports.

Building on our partnership with Teach First Deutschland, we are currently expanding our program GoTeach and our commitment for education across the Group and on an international scale. This involvement in education will pay off because education is a prerequisite for success for individuals, for companies and for society in general. In 2010, we entered into a partnership with the global organization Teach for All to extend our efforts on promoting education to further countries, aspiring to the vision that one day, all children will have the opportunity to attain an excellent education. We will assist the development of national Teach For All partner organizations in Peru, Chile, Argentina, India, Spain and Brazil.

Besides these Group-wide “Living Responsibility” activities, we are proud of the multitude of employee initiatives undertaken in local communities. As part of our DHL Volunteer Day 2010, around 30,000 employees in over 100 countries dedicated some of their personal time to local relief projects.

We are one of the largest global employers, with a workforce of approximately 470,000 people around the world, and their training and commitment are important factors in our success. Under the guiding principle of “Respect and Results”, we therefore put active leadership through dialog and wide-ranging employee engagement at the heart of our human resources strategy – our People Strategy. We are aiming to harness and promote the talents, capabilities and knowledge of our employees. Our Employer Value Proposition is key to achieving our Employer of Choice ambition. Our Group offers employees many opportunities to grow and get better at what they do, to make an impact and contribute to the success of the company. Our employees take pride in our commitment to social responsibility.

As a global market leader in the logistics industry, we can and want to make an active contribution to sustainable economic development. The challenges – both short and long term – are huge. Our study “*Delivering Tomorrow: Towards Sustainable Logistics*” has highlighted both the huge challenges and opportunities associated with sustainable logistics. Increasing market volatility, climate change and the scarcity of resources, demographic change in many societies, more opportunities for suitable training and better logistics to deal with natural disasters are just a few of the areas in which we embrace our responsibility and grab opportunities. We have not reached the finishing line yet. However, our repeated inclusion in leading capital market indexes, such as the Dow Jones Sustainability World Index, the Dow Jones Sustainability Europe Index and the FTSE4Good Global Index, as well as the fact that we were honored as the best-in-class in the Carbon Disclosure Leadership and Performance Index last year shows us that we are on the right track.

This Corporate Responsibility Report provides you with a detailed overview of the course we have charted. I warmly invite you to accompany us on this journey.

Yours sincerely,



Frank Appel
Chief Executive Officer

Performance summary

We consistently measure our CR performance and rate our respective progress through a comprehensive set of indicators. The development of the most relevant and material of our non-economic performance indicators over the past three years is shown here. The complete list of quantitative references and an overview of our CR targets are included in this report.

Data	2008 ¹	2009 ²	2010
Environment			
CO ₂ emissions (million tonnes)	27.1	24.7	28.2
Scopes 1 and 2 (million tonnes)	6.6	5.6	6.0
Scope 3 (million tonnes)	20.5	19.1	22.2
Carbon Efficiency Index (2007 = 100, 2020 target = 70)	97	92	88
Scopes 1 and 2	91	76	69
Scope 3	99	97	93
Fuel use of own aircraft (million liters)	1,531 ³	1,315 ³	1,507
Fuel use of own road vehicles (million liters)	631	519	495
Energy use in buildings and facilities (million kWh)	4,172	3,481	3,595
Total paper use (tonnes) ⁴	91,500	98,100	100,150
Share of 100 % recycled paper (%)	38	50	53
Headcount working in ISO 14001 certified sites (%)	46	49	49
Employees			
Total number of employees (including trainees)	512,536	477,280	467,088
Full-time employees (FTE, excluding trainees)	451,515	424,686	418,946
Europe	304,465	286,954	276,243
Americas	78,212	66,833	68,268
Asia-Pacific	55,182	57,897	61,239
Women in total workforce (%)	37.7	37.4	36.5
Women in top management (%)	13.5	15.6	14.6
Sickness rate (%)	5.5	5.6	5.4
Accident rate per 1,000 employees	66	71	96
Average training days per FTE	1.6	1.5	1.9
Accepted suggestions from idea management	162,471	178,303	183,323
Participation in Employee Opinion Survey (%)	75	76	79

¹ as previously reported

² Scope 3 has been adapted to reflect methodology improvements

³ as stated in our 2009/10 report

⁴ 2010 paper consumption data represent about 80 % of the Group-wide paper and cardboard products sourced through our Procurement organization (compared to 75 % in 2009). Data includes estimates and reports from suppliers.

⁵ data in 2008 only covered Group presence in Germany (6.6 %)

Data	2008	2009	2010
Society			
Employees trained for Disaster Response Teams (DRT)	6	6	335
Deployed volunteers of Disaster Response Teams	22	31	105
DRT Asia-Pacific	15	25	7
DRT Middle East/Africa	0	2	23
DRT Americas	7	4	75
Deployment days of Disaster Response Teams	43	44 ⁷	118 ⁷
DRT Asia-Pacific	34	42	35
DRT Middle East/Africa	0	0	35
DRT Americas	9	2	48
Tonnes of relief goods handled by DRTs ⁸	2,230	1,300	6,992

⁶ not recorded in 2008 and 2009

⁷ including overlapping days of simultaneous deployments; two Disaster Response Teams were in Pakistan at the same time in 2010 for a period of 35 days

⁸ estimates

2010: A year in review

January 2010

Disaster Response Team supports the people of Haiti

After the devastating earthquake, DHL deploys its Disaster Response Team (DRT) Americas to Haiti. It is one of the first organizations to provide on-the-ground logistics support to the international relief effort. The DRT mission to Haiti, made up of 36 DHL volunteers, is able to help with the handling of more than 2,000 tonnes of international relief aid from more than 60 aircraft over a period of 30 days.

DHL Global Mail becomes first mail provider in the US to introduce carbon-neutral shipping

Eco-conscious companies can choose *GOGREEN* shipping and mailing services to support their environmental protection goals. In January, DHL Global Mail becomes the first mail services provider in the United States to enable customers to send carbon-neutral shipments. The *GOGREEN* service includes the calculation of shipment-related CO₂ emissions and offsetting through climate protection projects. Customers can mark their carbon-neutral shipments with a *GOGREEN* label and receive an annual certificate.

> Read more (http://www.dhl.com/en/press/releases/releases_2010/mail/1401101.html)

February 2010

“Deutsche Post DHL – We Help Each Other”

From the Haitian earthquake to floods in Pakistan: In the light of the string of consecutive natural disasters that struck the world this year, Deutsche Post DHL launches the “Deutsche Post DHL – We Help Each Other” fund. With their donations, Deutsche Post DHL employees are supporting those colleagues who have become victims of a natural disaster. In 2010, their donations have been used to help more than 188 employees quickly and with a minimum of red tape.

March 2010

Disaster Response Team provides effective emergency aid in Chile

One of the most severe earthquakes of the past 100 years, with a magnitude of 8.8, hits the Chilean city of Concepción in February 2010. The DHL Disaster Response Team (DRT) starts an operation to help the Chilean Emergency Agency ONEMI to handle relief goods at Santiago de Chile and Concepción airports. The team and a further 65 volunteers from the DHL Chile country office help with the packing of around 10,300 DHL relief bags, which contain more than 206 tonnes of relief aid such as food, hygiene articles and blankets.

April 2010

Launch of new competencies model for employees in management positions

Strategy 2015 is intended to help us to unlock our full potential. We want to become the preferred employer for our staff, the top supplier for our customers and an attractive investment for our shareholders. To achieve Strategy 2015 and to underline a sustainable approach, we implemented a new competencies model for employees in management positions. This model will be used to differentiate performance appraisals and rewards, target development areas and drive a culture of co-operation.

Employees volunteer for mentoring programs

Deutsche Post DHL launches two mentoring programs as part of the partnership with Teach First Deutschland in Germany. In the mentoring program Engage4change, executives each act as a mentor for a Teach First Deutschland “Fellow” for about 15 months to support their personal and professional development. And in the mentoring program Chance4you, employees offer hands-on advice to students in grades 8 to 10 in junior high and comprehensive schools over a similar period of time. The mentors aim to help the teenagers to improve their self-confidence, recognize their own abilities, develop ideas about their future careers and achieve their goals. At the start of the new academic year in September 2010, 49 Deutsche Post DHL employees and executives become mentors to a student or Fellow.

May 2010**Doctor of smart ideas**

The German Institute of Business Administration (Deutsches Institut für Betriebswirtschaft) honours the Group’s idea management initiative with its 2010 scientific promotion award. The prize is a place on the Doctor of Engineering course at the University of Gloucestershire in the UK. To ensure that employees from other professional backgrounds have the same opportunities, Deutsche Post DHL awards two more places on the Doctor of Business Administration (DBA) program.

“Better City, Better Life”: DHL introduces GoGreen topics at Shanghai Expo

From May to October, DHL presents innovations and green solutions at Expo 2010 in Shanghai. DHL partners with the Urban Planet Pavilion, the central Chinese theme pavilion presenting the Expo’s overall theme, “Better City, Better Life”. The exhibition shows examples from the Group’s environmental protection program and DHL’s carbon-neutral *GOGREEN* products, environmentally friendly transport technologies and new concepts for efficient city logistics.

> **Read more** (http://www.dp-dhl.com/en/media_relations/press_releases/2010/dhl_significant_participation_expo_shanghai.html)

June 2010**Disaster Response Team deployment to Guatemala**

After a volcano eruption and the arrival of Tropical Storm Agatha on the last weekend of May 2010, a team of DHL DRT volunteers is deployed at La Aurora Airport in Guatemala City to set up a temporary professional warehouse and sorting facilities. Their task is to handle and inventory the donated goods. In 10 days, the volunteers manage about 86 tonnes of aid and pack almost 1,500 DHL Speedballs – food packages which are sent to the survivors by truck and helicopter.

Jobs with a future

By training young people, we not only secure our future specialists but we also make a key contribution to society. In 2010, the company provides over 1,700 training places, 120 more than in the previous year. On average, our Group employs about 3,775 vocational trainees worldwide each year. We offer training for 20 different types of jobs and 10 degree courses at the German University of Co-operative Education (Duale Hochschule).

Project learning and great vacations at Camp4us

Camp4us summer camps, which are part of Deutsche Post DHL's partnership with Teach First Deutschland and are organized together with Teach First Deutschland and the German Children and Youth Foundation, help 12- to 16-year-olds to find the tasks they enjoy, and perhaps even get some initial ideas about a future career. In 2010, about 300 children of our employees and from Teach First Deutschland schools take part in five camps throughout Germany. In the two-week camps, young people are given the opportunity to work on interesting projects while having a great vacation. Furthermore, the camps serve as preparation for the Fellows before starting their work at the schools.

July 2010**Launch of Asia-Pacific's first Center for Sustainable Supply Chains**

The Sustainable Supply Chain Centre Asia Pacific (SSCCAP) (www.sccap.com) is founded on 1st July 2010 as a partnership between DHL and the National University of Singapore (NUS), to develop and implement best practice sustainable supply chain solutions in the Asia-Pacific region. The SSCCAP is governed by a committee of representatives from DHL, NUS, the Singapore Economic Development Board and other industry partners. By bringing together the industry and academic sectors, SSCCAP aims to develop new knowledge to accelerate supply chain sustainability within the region. It focuses on two initial themes: Sustainability Network Modelling and Sustainability Opportunity Assessment. The former will provide a "technical reference", using commercial optimization and simulation tools as a basis, while the latter will provide a framework of best practices to support supply chain operations in taking their first steps to sustainability.

First-of-its-kind 18-tonne hybrid truck for DHL

In partnership with manufacturer Volvo Trucks, DHL Supply Chain trials the world's first 18-tonne hybrid distribution truck for a two-year period in and around London. Powered by an electric motor and a diesel engine, which can be used separately or together, the hybrid vehicle will allow for reduced fuel consumption of up to 15 %, as well as for lower emissions and noise levels. The fuel-efficient truck also benefits from an aerodynamic "teardrop" body fitted by body builder DON-BUR. This is one of a number of initiatives between DHL and Volvo that are aimed at reshaping the logistics of the future by making it cleaner, safer and more efficient.

August 2010**Anonymous job application procedure**

Diversity makes Deutsche Post DHL unique and successful – that is why we actively promote it. We are participating in a test project for an anonymous job application procedure launched by the German Federal Anti-discrimination Agency (Antidiskriminierungsstelle des Bundes). We will test the procedure for a year on job applications that do not include name, age, gender, nationality, marital status or a photograph of the applicant.

Disaster Response Team deployment to Pakistan

After the most severe floods in Pakistan's history, the DHL Disaster Response Team starts its deployment at Islamabad airport on 26th August 2010. The mission of the 30 volunteers is to set up a professional warehouse to organize and inventory incoming goods. During the five weeks of their deployment, the team handles about 4,500 tonnes of relief goods and packs about 2,500 DHL relief bags filled with food and commodities.

September 2010**Deutsche Post DHL receives recognition for outstanding carbon reporting and performance**

GoGreen is highlighted in this year's "Global 500 Report" by the Carbon Disclosure Project (CDP). The CDP is a non-profit organization that rates the climate protection data and strategies of the world's largest companies, on behalf of some 534 investors around the world who manage assets totalling around US\$64 trillion. The CDP's Carbon Disclosure Leadership Index rates companies according to their reporting of climate data and how they approach the issue of climate change in operational and strategic terms. Here, Deutsche Post DHL came second in a global comparison, scoring 97 out of a possible 100 points. The Group is also among the top 10 % of the world's 500 leading companies that achieved the highest rating in the Carbon Performance Leadership Index.

All aboard for "high potentials"

Kick-off for the new internship programme JOIN in Germany: During their internships, highly qualified students have the opportunity to assume responsibility for projects, to work in an international and innovative environment, and to begin building a network within the company at an early stage. This gives them the best chance of a career at Deutsche Post DHL after their degree.

Spreading expertise with GARD training in Nepal

The global program "Get Airports Ready for Disaster" (GARD) trains airport personnel and local authorities to be better prepared for the challenges of a disaster relief surge. Following last year's successful pilot in Indonesia, the second GARD training program, in cooperation with the United Nations Development Programme (UNDP), takes place at five selected airports in Nepal. Twenty-four participants are instructed in airport relief operations by four volunteer DHL trainers.

Employee Opinion Survey shows significant improvements

Our Group-wide Employee Opinion Survey, "Every ONE counts", is conducted for the fourth time. Considerably more employees participated this year: Worldwide, 79 % of employees share their opinions with us (2009: 76 %). The results show a marked improvement across all 11 key performance indicators – a very encouraging signal from our staff.

Electric vehicle pilots with Deutsche Post and DHL in Germany

In September, the Group announces two new electric vehicle pilots for Germany. To expand its fleet with alternatively powered vehicles, Deutsche Post starts testing 15 Mercedes-Benz Vito E-CELL vans from the end of 2010. They drive with battery-electric drives and will be used in the mail delivery service in Berlin and Stuttgart. The second pilot, starting in 2011, will involve 10 Iveco Electric Daily vehicles for parcel deliveries at various locations in Germany, including Berlin, Bonn, Düsseldorf and Hamburg. With the test of Europe's first 3.5-tonne electric vehicle in its operations, Deutsche Post DHL supports the further development of electric drives for its road fleet.

Global partnership with Teach For All

In September 2010, Teach For All and Deutsche Post DHL sign a cooperation agreement, bringing the Group's engagement for education to an international level. Teach For All is a global network of 19 national Teach For All partner organizations that recruit outstanding university graduates to teach for two years in schools located in high-need areas. With the common goal of increasing the quality of education and improving educational systems around the world, Deutsche Post DHL supports the growth and development of the global network. In addition, we will work closely together with the national Teach For All partner organizations in Peru, Chile, Argentina and India. Tailored to each country's individual needs, partnership activities will be selected and implemented in cooperation with the national partner, drawing on the experiences gained in our successful partnership with Teach First Deutschland in Germany. In Spain and Brazil, we will support the set-up of new partner organizations.

DHL Volunteer Day 2010: 30,000 employees lend a helping hand

More than 30,000 employees in over 100 countries, together with business partners and family members, participate in DHL Volunteer Day 2010 across Asia, Americas, Europe and the Middle East, making it our largest company-wide volunteer drive to date. Over 11 days, from 16th to 26th September, employees across all business divisions, and from all levels of the organization, engage in a wide variety of community service projects.

Corporate Health Awards 2010

Eight health promotion initiatives from five divisions in seven countries are honoured with a Corporate Health Award in 2010. Our third annual Corporate Health Awards continue to identify best practice in health promotion and allow everyone in the Group to benefit from such measures. With the awards, Deutsche Post DHL strives to maintain and promote the health of its employees, and at the same time, to contribute to meeting the demands of customers and financial markets on the Group.

October 2010**Deutsche Post DHL publishes green study “*Delivering Tomorrow: Towards Sustainable Logistics*”**

As a follow-up to the Delphi Study 2009, Deutsche Post DHL releases a new study, focusing on green logistics and identifying key developments for the years to come. One of the main messages of “*Delivering Tomorrow: Towards Sustainable Logistics*” is that sustainability will transform the logistics industry, both in terms of its business model as well as the range of advanced solutions and technologies available to logistics service providers. The study is based on in-depth research and contributions from international experts, as well as a representative survey of 3,600 business customers and consumers worldwide.

November 2010**UPstairs implementation workshop in South Africa**

UPstairs – Deutsche Post DHL's new scholarship program for employees' children around the world – kicks off in mid-January 2011. DHL South Africa is proud to be the first pilot country to launch this initiative, which will provide better access to education for children of employees with limited financial resources. In November 2010, an implementation workshop takes place in Johannesburg. Together with local Human Resources staff, the global concept is adapted to local particularities and needs. Implementation workshops will follow in the other pilot countries (Indonesia, Mexico and Romania) before a global roll-out is conducted.

Three awards for health management

Under the patronage of the German Ministry of Labor, Deutsche Post is presented with an award for its exemplary health management by the German daily newspaper *Handelsblatt*, EuPD Research and TÜV Süd. It receives the Corporate Health Award for the excellent way in which it incorporates health management into all processes and into company and executive guidelines. In the same month, and for the third time in succession, the company is presented with the German Enterprise for Health Award (Deutscher Unternehmenspreis Gesundheit) from the European Commission and German Federal Association of Company Health Insurance Funds (BKK Bundesverband) and also receives a special “mental health” prize.

Kick-off meeting in Mumbai with Teach For India

Through a Cooperation Agreement signed in September 2010 with the global Teach For All organization, a country-level partnership between Deutsche Post DHL and Teach For India is announced. Improving quality in education and helping students to unlock their full potential and achieve good results are objectives that Teach For India and Deutsche Post DHL share. In addition to financial support, various joint activities at Teach For India schools will characterize this partnership, such as mentoring Teach For India teachers, providing support for schools such as school supply drives and asking colleagues from all divisions to participate in Teach Weeks. Together, we will be able to contribute to educational success in India.

December 2010**New climate protection platform for monitoring and reporting carbon emissions in road freight transport**

Jointly with Heineken, IKEA, Kraft, TNT and UPS, Deutsche Post DHL starts an initiative focused on reducing the environmental impact of European road transport. The partnering companies define a standardized and independent system for collecting and reporting CO₂ emissions from road transport. The purpose is to generate a central database to monitor and report the environmental performance of transportation companies and engage all companies across the supply chain in the green procurement of transportation services.

DHL signs Memorandum of Understanding with Honduras

DHL's Disaster Response Team (DRT) Americas agrees to assist Honduras' Permanent Commission on Contingencies (COPECO) in handling humanitarian aid received at airports in the aftermath of a major natural disaster. The Government of Honduras will now benefit from a team of volunteer logistics experts in the event of a natural disaster. The signed Memorandum of Understanding (MoU) sets out the pro-bono services that DHL will offer a government dealing with a natural disaster.

Deutsche Post DHL's first self-initiated climate protection project

By introducing special efficient firewood stoves in Lesotho, Deutsche Post DHL starts its first own climate protection project. The stoves are expected to reduce CO₂ emissions by 80 % in comparison to common cooking procedures. At the same time, they will limit deforestation and improve the living conditions of local people. Starting with the sale of 1,300 stoves in December 2010, the project will reach 10,000 sold units by 2012 and is expected to generate 20,000 carbon credits a year. These credits will be used by Deutsche Post DHL's carbon-neutral shipping service *GOGREEN*, offering customers the option to offset the CO₂ emissions of their shipments. To successfully implement the climate protection project, Deutsche Post DHL partners with atmosfair GmbH, a leading offset agency.

History of CR at Deutsche Post DHL

On this page, we look at the Corporate Responsibility (CR) history of Deutsche Post DHL and its predecessors, focusing on milestones in the major areas covered in this report: Economic impact, the environment, employees and society.

1490

The first 350 years: “Green” by necessity

Judged by today’s standards, the first 350 years of Deutsche Post’s postal operations were very “green” as they used minimal amounts of fossil fuels and other natural resources. This was not by choice, but rather by necessity, as there were no alternatives. Until the development of the railways in 1848, most mail was transported by foot, horseback or stagecoach.

The introduction of reliable, if relatively expensive for the time, postal services gave a considerable boost to trade and to local economies. Post stations became crucial focal points in the development of villages and cities.

1847

Post takes first steps to emancipate women

The postal industry is credited with taking the first steps to emancipate women in Germany. It is one of the first sectors where the hiring of women is not considered unusual.

Today, around 40 % of employees at Deutsche Post DHL are female. In fact, Deutsche Post DHL is one of the largest employers of women in Germany.

1848

Trains start transporting mail

The first railway post office with onboard sorting of mail begins operating on 1st April 1848 in the Grand Duchy of Baden, Germany.

The trade-off for faster transit times for letters and parcels is a considerable increase in the use of natural resources. The trains are initially powered by coal and in later years by electricity. The building of rolling stock, tracks and other infrastructure requires substantial quantities of wood and metal. Railways also need a lot of land for the tracks and facilities.

Mail trains continued well into the 20th century; the last traditional postal rail service in Germany ran on 30th May 1997.

1871

Launch of universal postal service in Germany

Deutsche Reichspost launches a universal postal service across the length and breadth of Germany, following the founding of the nation. With a universal postal service in place, it now costs the same to post a letter anywhere in Germany. Initially, stamps from the former North German Confederation are used until the first Reichspost stamps are issued on 1st January 1872.

The universal postal service helps to unite the new country, and boosts trade and communication.

1879

Equal educational opportunities for all

Deutsche Reichspost's first Postmaster General, Heinrich von Stephan, grants all employees the right to use the organization's extensive book collection. This is considered a pioneering development, as only civil servants were previously allowed to access the collection.

Deutsche Reichspost quickly recognizes the importance of equal educational opportunities for all employees. Heinrich von Stephan expands the diversity of the book collection so that employees are not limited to law texts and company documents, but are also given the opportunity to learn about geography, history, sciences and even the fine arts. Under von Stephan's direction, the number of books in the collection increases from 13,000 to over 1 million within a few years.

1890

Company-sponsored welfare service

Deutsche Reichspost establishes the *Posttöchterhort* ("Post orphanage for girls"). Today, the welfare service is known as the *Betreuungswerk* ("Welfare service"), and supports both employees in need and their relatives. It provides immediate financial and practical support for orphans, offers help in emergency situations and procures social services for seniors.

The *Betreuungswerk* currently supports more than 9,000 children and teenagers in Germany who are connected to Deutsche Post, Postbank and Telekom.

1913

Health insurance for postal employees

Health insurance is provided for Deutsche Reichspost employees by the forerunner of today's *Postbeamtenkrankenkasse* ("Civil Service Health Insurance Fund"). Lower-ranked civil servants, not previously covered by the organization's compulsory health insurance, are provided with improved medical care. By the end of 1913, about 83,000 postal employees, together with almost 210,000 of their relatives, are covered by this health insurance scheme.

1919

Airmail letters speed development of airline industry

The first regular transport of letters by air on behalf of the Deutsche Reichspost takes place on 6th February 1919 between Berlin and Weimar in Germany.

There are benefits for both of the major players: the airlines and postal sector. The transport of airmail letters – a favored cargo as they are relatively high-value but low-weight shipments – helps to finance the development of the commercial airline industry in Germany and its international expansion. While faster transit times and a reliable service promote the sending of letters and small parcels by airmail.

Today, being aware of aviation's contribution to climate change, we very carefully consider the use of air transport and encourage our customers to consider using more environmentally friendly modes of transport where feasible.

1930s

Deutsche Post operates large fleet of electric vehicles

In the early days of the commercial vehicle industry, the competition between electric and combustion engines is still undecided. Particularly in city traffic with frequent stops, electric vehicles are often cheaper, more reliable and less polluting. The vehicles' range of 60–70 kilometers from each charge is quite sufficient. In 1938, Deutsche Post operates a fleet of 2,648 electric vehicles, one of the largest in the world at the time. However, combustion engines soon replace vehicles with electric drives.

Not only are vehicles with combustion engines lighter, allowing them to carry larger loads, but the development of combustion engines is also faster.

Today, interest in electric vehicles is once again increasing. They can help tackle climate change by significantly reducing CO₂ emissions when powered by electricity generated from renewable sources. Deutsche Post DHL is currently testing various electric vehicles.

1962

Postal employees help after North Sea floods

When severe flooding ravages the North Sea coast of Germany, Deutsche Bundespost and its employees quickly mobilize to help. The floods kill 340 people and leave 60,000 homeless. Post employees support their colleagues in Hamburg affected by the floods with in-kind contributions and more than DM 720,000 (equivalent to €1.4 million in 2009 value) in cash donations.

We continue this tradition of helping people, members of the public and our fellow employees, affected by natural disasters through our DHL Disaster Response Teams, community investment initiatives and special campaigns – such as our help for Deutsche Post DHL employees and their family members in Haiti following the devastating January 2010 earthquake.

1981

Renewable energy powers the Post

Deutsche Bundespost begins installing equipment to generate energy from renewable sources. The first steps include the commissioning of 15 solar hot water heating systems. Additionally, two combined solar–wind turbines are erected in Flensburg and Bremen, Germany, to power radio transmitters.

1981

The Post supports people with disabilities

In the “International Year of Disabled Persons”, Deutsche Bundespost launches several initiatives to support people with disabilities. In addition to providing special aids and equipment to disabled employees in the workplace, working conditions are also improved.

These initiatives supplement existing measures. For example, from 1973, retired employees and their relatives receive support from social workers paid for by Deutsche Post, and procedures for hiring people with disabilities are simplified in 1976.

1984

Technical development assistance in China

Deutsche Bundespost sends five of its technical engineers to China to assist the Ministry of Posts and Telecommunication. The support provided by Deutsche Bundespost’s employees began in 1960 as part of a government program to provide technical assistance to developing countries.

1985

DHL helps people to stay in touch after Mexico City earthquake

Mexico City suffers the worst earthquake in its history on 19th September 1985. Buildings collapse and hundreds of people are killed or injured. Communications are affected too, with phone lines down and electricity cut off.

DHL Express Mexico responds to the tragedy by keeping its offices open and giving people the opportunity to send free messages. For four days, its offices are packed as people flock to use DHL’s telex service to get messages to family and friends in the outside world. At the bottom of each telex, DHL prints the tag-line “Mexico is still working” to counter rumors that Mexico City has been completely destroyed.

1987

Post employee receives Order of Merit

Bundespost employee Joachim Gröger is awarded the Order of Merit of the Federal Republic of Germany for his social engagement in the Sahel region of Africa, with a focus on Ethiopia.

Joachim Gröger, together with Karlheinz Böhm, co-founded the initiative *Menschen für Menschen*, which has supported people in need since 1981. The charity provides development aid, and works to improve the living conditions and future prospects of people on a sustainable basis.

1991

Helping children from Chernobyl

Deutsche Bundespost invites 100 Russian orphans from Chernobyl to spend their school holidays in the German Vogtland. Five years after the nuclear disaster, the children are given the chance to enjoy some carefree days in Germany.

Such actions form part of Deutsche Post's long tradition of helping people in need and thereby accepting its social responsibility.

1997

Post helps people affected by the Oder flood

When the River Oder floods its banks along the Germany–Poland border, Deutsche Post provides 65,000 mailbags, which are used for making sandbags to stabilize dykes. The Deutsche Post subsidiary IPP (International Parcel Post) also transports drinking water containers to the affected area in Poland.

1997

The world's first floating express distribution center

The world's first floating distribution center is launched by DHL in Amsterdam on 1st November 1997. The canal boat solves the growing problem of traffic congestion by using Amsterdam's extensive canal network. It does the work of 10 DHL vans and saves over 12,000 liters of fuel a year.

1997

First site in the Middle East to be ISO 14001 certified

DHL Express Dubai is the first-ever company in the Middle East to earn an ISO 14001 certificate for its environmental practices and strategy. It successfully hit its targets of a 25 % annual reduction in paper consumption and a 20 % reduction in energy consumption.

ISO 14001 certification is an important part of our environmental management system: The 6-Step Approach.

1998

DHL responds to disasters in Papua New Guinea and Guatemala

An earthquake measuring 7.0 on the Richter scale occurs off the coast of Papua New Guinea and triggers a 15-meter-high tsunami, killing over 2,000 people and leaving many more homeless. DHL Express Australia flies 20 tonnes of emergency goods there – including one tonne of supplies donated by DHL employees.

In Guatemala, DHL Express is presented with the prestigious Monja Blanca Award for humanitarian aid given by the company to the victims of Hurricane Mitch. The President of Guatemala, Alvaro Arzu, thanks DHL for showing “true solidarity with the Guatemalan people”. In the aftermath of the hurricane, DHL organizes air bridges to Puerto Barrios, Puerto San Jose and Honduras, picking up food, clothing, shoes, medicine and relief goods totaling over 59 tonnes.

1998**Road safety instruction for children**

In collaboration with the German Automotive Association (ADAC), Deutsche Post supports the initiative “Safely to the destination” (“*Mit Sicherheit ans Ziel*”). Since 1998, schoolchildren aged eight to 14 are given the chance to learn about cycling safely on the roads through 4,000 regional competitions every year.

2000**Parcel Intercity shifts freight from road to rail**

High-speed Parcel InterCity trains loaded with freight containers begin connecting the north and south of Germany overnight; an east–west connection is added later. The service is particularly quick and reliable as the Parcel InterCity trains – a joint project between Danzas Euronet and Stinnes Intermodal, a company of the Deutsche Bahn AG Group – are given priority over other rail traffic.

Each year, more than 100,000 truckloads of freight are shifted to the railway. Transporting goods by rail has clear environmental benefits: Less traffic noise, less congestion on the roads, and fewer emissions of CO₂ and other airborne pollutants.

Parcel InterCity followed the InterCargoExpress service, which also ran overnight cargo trains at speeds up to 160 km/h, operated by Deutsche Bahn from 1991 to 1995.

2001**Set up of Corporate-level Policy and Environment team**

Deutsche Post DHL sets up a corporate environment team, part of the newly formed Corporate Public Policy and Environment department, in recognition of the growing importance of environmental issues. The team’s initial task is to set the Group’s strategy on the environment, and to work with existing divisional teams to implement it. The responsibilities of the Corporate team are soon broadened to include wider sustainability issues, and the development of the Group’s global partnerships with the United Nations and other organizations.

2002**Green Tonnage: DHL’s first “green” product**

DHL research showed that 70 % of our customers in Sweden take the environment into consideration when buying transportation services, and that many are willing to pay a premium for an environmentally friendly option.

DHL Sweden introduces *Grøna Ton* (“Green Tonnage”), our first “green” value-added transport service, to meet this demand. With *Grøna Ton*, transport volumes equivalent to their purchased *Grøna Ton* volumes are transported somewhere in the DHL network using renewable fuels. This results in low-emission transportation for which the customer receives the carbon reduction credit.

Carbon credits are awarded to countries, groups or organizations that have reduced their emissions of greenhouse gases below their emissions quota, and can be traded on the international carbon market.

2003**Response to earthquake in Bam, Iran**

On 26th December 2003, an earthquake measuring 6.6 on the Richter scale strikes Kerman Province, Iran. It destroys the city of Bam and its architectural treasures, killing 30,000 people and destroying or damaging 85 % of all homes.

The local authorities are overwhelmed by the scale of the disaster and put out an urgent call for help. In collaboration with the International Federation of Red Cross and Red Crescent Societies (IFRC), we fly 30 tonnes of emergency relief supplies from Dubai to Bam on one of our aircraft. We also transport 400 tonnes of tents, blankets, cooking equipment, kerosene stoves, lamps and heaters on 30 trucks from Amman, Jordan, to Dubai, from where it can flown into Bam as needed.

It was here at Bam Airport that DHL employees come up with the idea for what would become the DHL Disaster Response Teams (DRTs). They realize that we can use our expertise in logistics, our global network and our employees' talents to support humanitarian missions by helping to reduce bottlenecks at airports and speeding up the delivery of relief aid to people in need.

2004**Help after the Indian Ocean tsunami**

Within hours of the catastrophic flooding of coastal areas bordering the Indian Ocean, Deutsche Post DHL begins organizing the logistics and transportation of humanitarian aid by leveraging its worldwide network. On the Thai island of Phuket, DHL vehicles shuttle tourists to safety, and in India, they help to transport federal police forces to the disaster area. The Airport Emergency Team – the predecessor of today's Disaster Response Teams – is mobilized and sent to Colombo Airport in Sri Lanka.

In the weeks that follow, Deutsche Post DHL and staff members continue to contribute to the relief efforts. The company donates €1 million in financial aid and provides free special cargo flights to the disaster area, and thousands of employees make further personal donations. A joint initiative by Deutsche Post DHL and eBay in Germany raises over €2 million.

2004**Paper Policy helps protect forests**

Deutsche Post DHL introduces its Paper Policy for the procurement of paper-based products. The primary goal is to maximize the use of recycled paper products. As the second-best option, we aim to use paper made with wood fibers from sustainable forestry or fibers from mixed sources – a mixture of recycled paper fibers and wood fibers from sustainable forestry. The Policy excludes the use of paper, throughout our entire supply chain, made using wood from forests under protection, or worthy of such, and of paper made using wood which has been obtained through illegal logging.

An early consequence of our Paper Policy is the decision to produce one of our best-selling mailing products, the PLUSBRIEF (an envelope with integrated stamp), from Forest Stewardship Council (FSC) certified paper.

2004

DHL Singapore's "Veggie Express" wins award

DHL Singapore is honored by the Institute of Public Relations of Singapore (IPRS) for its "Veggie Express" initiative, a community project aimed at helping needy senior citizens in Singapore. This activity wins the Public Relations "In the Service of Mankind (PRISM) Award" for Excellence in Corporate Social Responsibility (CSR).

Veggie Express is a free weekly vegetable and fruit delivery service to beneficiaries of Lions Befrienders. This community initiative, sponsored by DHL, was officially launched on 4th June 2002, and ensures that the elderly receive their fresh vegetables and fruit on time, every week. What makes Veggie Express special is our ability to use our business expertise to help the less fortunate. DHL's involvement is more than just a financial one; DHL employees are also actively involved in this initiative, taking time to volunteer once a week.

2005

Partnership with the United Nations

As part of our CR strategy, we establish a strategic partnership with the United Nations in the areas of disaster management and health. Together with the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) and the United Nations Development Programme (UNDP), we set up a global network of Disaster Response Teams (DRTs) and begin other joint disaster management activities. We also support UNICEF in its efforts to reduce child mortality.

This year also sees the first DRT deployments: After Hurricane Katrina hit the Gulf Coast of the USA, and in the aftermath of the massive earthquake that struck northern Pakistan and northern India.

2005

First carbon-neutral parcel

DHL Parcel Germany pilots its *Grüne Paket* ("Green Parcel"), a carbon-neutral parcel shipping service. With this service, all CO₂ emissions relating to the transportation and handling of each Green Parcel, are calculated and offset through climate-protection projects.

The Green Parcel is a forerunner for the *GOGREEN* parcel, launched in 2006.

2006

Deutsche Post DHL signs the UN Global Compact

Deutsche Post DHL strengthens its commitment to the United Nations (UN) in July 2006 when it signs the UN Global Compact. Monika Wulf-Mathies, Executive Vice President, Corporate Sustainability, Deutsche Post DHL, personally hands over the Group's Letter of Commitment from the CEO to Kofi Annan, UN Secretary General.

2006

Employees donate 58,000 winter jackets

Deutsche Post DHL employees, together with a non-governmental organization, begin distributing 58,000 winter jackets and thousands of scarves, caps and gloves to children living in areas of northern Pakistan badly affected by the earthquake that struck South Asia in October 2005. The jackets, which are distributed to the children at schools in hard-to-reach mountainous areas, have been donated by employees of Deutsche Post DHL in Germany and Belgium.

The donation of winter clothing is in addition to the DHL Disaster Response Team (DRT) deployed to Islamabad Airport.

2006

Publication of first Sustainability Report

Having published our first Environmental Report in 2003 and our first Human Resources and Social Report in 2004, we publish our first Sustainability Report, entitled *"Facing the challenges of global logistics"*, in 2006. This marks the first time that our commitment to the environment, our employees and social issues is detailed in a single comprehensive report.

2007

DHL first to implement ISO standards across Asia Pacific

DHL Global Forwarding is the first logistics company in Asia Pacific to fully implement throughout its entire operations two of the International Organization for Standardization's (ISO) best-known standards: ISO 9001 for quality management and ISO 14001 for environmental management.

DHL Global Forwarding began certifying its Asia Pacific operations in 2005, starting in Malaysia. It has over 200 facilities across 14 countries in the region.

2008

Launch of GoGreen program

In early 2007, we began developing our Group-wide strategy on how best to tackle the challenge of climate change. One year later, in April 2008, we announce the result: The GoGreen program.

GoGreen is a key strategic priority for our business. It brings together our efforts to manage our climate change impacts across all our divisions, regions and countries. It also helps us to manage our additional environmental impacts. With GoGreen, we are the first global logistics provider to set a measureable CO₂ efficiency target.

2009

Deutsche Post DHL wins German Sustainability Award

In November 2009, Deutsche Post DHL is presented with the German Sustainability Award for its comprehensive CR strategy, "Living Responsibility". Introduced in the autumn of 2009 with reference to our Group Strategy 2015, it outlines how we intend to positively shape the future with a focus on environmental protection, disaster management and education. The jury commends "Living Responsibility" as the "Most sustainable strategy" of the year for facing the challenges of the future, and specifically recognizes the Group's readiness to assume economic, environmental and social responsibility, as evidenced by our climate and environmental protection program, GoGreen.

CR STRATEGY AND ETHICS



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Corporate Responsibility strategy: Our approach

Deutsche Post DHL takes its responsibility to society, to the communities in which we operate, to our employees and to the environment seriously – so seriously that we were one of the first companies to include corporate responsibility (CR) as an integral component in our corporate strategy. Deutsche Post DHL aims to advance and promote sustainable development, taking into account our specific business activities, our competencies and the challenges our company faces.

In March 2009, Deutsche Post DHL introduced its corporate strategy ‘Strategy 2015’ (http://www.dp-dhl.com/en/about_us/strategy.html). This laid out the company’s vision to:

- remain *the* Postal Service Provider for Germany (*Die Post für Deutschland*)
- become *the* Logistics Company for the World.

Our mission statement summarizes how we plan to achieve this and consists of four main aspects:

- We want to make our customers, employees and investors more successful.
- We always demonstrate respect without compromising on results.
- We simplify our customers’ lives.
- We want to make a positive contribution to our world.

Our major aims are to be:

- the Employer of Choice
- the Provider of Choice
- the Investment of Choice.

Our ethical approach in pursuing this vision and these targets is described by our guiding principle “Respect and Results” – we always demonstrate respect without compromising on results. Our Code of Conduct provides further details on how to act on this guiding principle for all our employees. Through our Supplier Code of Conduct, we also apply this principle to our suppliers.

Sustainability and Corporate Responsibility

“Strategy 2015” and “Respect and Results” embrace the concept of sustainability, as described in the widely recognized definition of the **Brundtland Commission** (<http://www.un-documents.net/wced-ocf.htm>). In the context of the characteristics and nature of our business as a global logistics service provider, we have integrated sustainability into our approach to Corporate Responsibility (CR). This approach takes into account our specific impact on the different dimensions of sustainability: Our employees, the environment and society.

Key impacts on sustainability

Our employees are crucial for our success. Therefore, an important aspect of our corporate responsibility relates to our employees. We want to ensure a safe and healthy working environment and establish a culture that is driven by mutual respect.



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With about 470,000 employees in more than 220 countries and territories, Deutsche Post DHL is one of the largest employers in the world. The jobs we offer already represent opportunities for sustainable development for individuals and communities. Beyond that, we are aware of a wider responsibility towards society and the environment. As a signatory to the **United Nations Global Compact** (<http://www.unglobalcompact.org/index.html>) and its principles, we are aware of the many challenges the world is facing today.

With our global fleet and logistics networks and numerous sites and facilities, we create a significant impact on the environment. Minimizing this impact is important for our future. With our GoGreen program, we focus on climate change as our most important environmental impact. This is closely related to our strong dependence on fossil fuels to power all modes of transportation.

Improving our carbon efficiency – the core target of our GOGREEN program – will also bear synergies with regard to reducing other airborne emissions and our use of scarce and ever-more expensive fossil resources.

Education is key to all countries' societal development. Access to good-quality education increases the opportunities of each individual to participate in societal and economical life. With our program "GoTeach", Deutsche Post DHL is committed to contributing to improving educational standards across the globe.

Offering targeted and sustainable support in the field of disaster response and disaster preparedness is the focus of our GoHelp program, through which we utilize our core expertise, global presence and networks to the benefit of society.

Under the motto "Living Responsibility", our GoGreen, GoHelp and GoTeach programs and many local community projects are key elements of our CR strategy and improve our sustainability footprint on society and the environment. Our People Strategy and educational, health management and occupational safety programs address the most relevant sustainability issues for our employees.

Important stakeholder feedback

Our approach to CR is not only defined by our Strategy 2015 and framed by the concept of sustainability. We also engage with stakeholders to learn about their expectations and concerns. This dialog helps us to identify the most material CR issues and, where necessary, adjust our programs and strategies. Our annual Employee Opinion Survey has again seen increased participation, indicating both great interest and engagement of our employees. The study "*Delivering Tomorrow: Towards Sustainable Logistics*" (http://www.dp-dhl.com/en/logistics_around_us/trends/sustainable_logistics.html) published by Deutsche Post DHL in 2010 combined the insight of external and internal sustainability experts. Seven major trends were identified that will help us to shape our CR programs in the future.

A particularly important channel for Deutsche Post DHL's engagement with stakeholders is working in partnership with national and international institutions, associations and organizations.

Strengthening CR governance

We implement our strategies and monitor progress of our CR programs by maintaining appropriate governance structures and management processes. We want CR to be an integral part of everyday business practice. To this end, and to minimize the extent of add-on administrative work, we have integrated CR topics into existing governance and management structures of the Group.



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Our CR strategy

Becoming first choice for employees, customers and investors requires the right strategy and the right implementation. Our Strategy 2015 clearly defines the overall direction, with Corporate Responsibility (CR) firmly embedded in it. “Living Responsibility” is the motto for our dedicated CR programs. These are supported and complemented by many local or regional community investment initiatives, which demonstrate the voluntary commitment, the special abilities and the enthusiasm of our approximately 470,000 employees around the world. Within Strategy 2015, our People Strategy and our firmly established First Choice initiative are also strongly linked to our CR strategy.

Our approach to CR shows how Deutsche Post DHL, as the leading logistics service provider, aims to advance and promote sustainable development, taking into account its specific CR-related footprint, competencies and challenges.

Strategy 2015 and sustainability

Our understanding of sustainability and sustainable development relies on the definition provided in 1987 by the **Brundtland Commission’s report** (<http://www.un-documents.net/wced-ocf.htm>):

“Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

As a signatory to the United Nations Global Compact (see our Communication on Progress) and its ten principles, we know that sustainability and sustainable development are key for the long-term future of our business and of society in general. Our Strategy 2015-based targets – to be the Employer of Choice for employees, Provider of Choice for customers and Investment of Choice for investors – are all strongly related to the three dimensions of sustainability: Economic, social and environmental. Employees, customers and investors already base their choices on their evaluation of our performance in these three dimensions.

Our study “*Delivering Tomorrow: Towards Sustainable Logistics*” (http://www.dp-dhl.com/en/logistics_around_us/trends/sustainable_logistics.html) and many surveys, rankings and ratings indicate that sustainability will become an even more important criterion for our business success in the future.

Living Responsibility

As a global company, we are faced with the delicate balance between economic, environmental and social interests. Under the motto “Living Responsibility”, we aim to advance sustainability and accept our responsibility toward society, the environment and our employees. Our dedicated programs are:

- GoGreen – environmental protection
- GoHelp – disaster management
- GoTeach – championing education.

In addition, our employees around the world demonstrate their voluntary commitment and enthusiasm through many local and regional community investment initiatives.



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We are convinced that these programs, local projects and initiatives will not only help us to advance sustainability, but also ensure the long-term success of our company by:

- improving our employees' motivation and identification
- increasing awareness of CR
- enhancing recognition for CR engagement
- strengthening our competitiveness.

To achieve this, we also rely on the commitment, the skills and the enthusiasm of our employees around the world to bring our CR programs to life. We encourage our employees to participate in numerous local initiatives, which boosts our employees' motivation and strengthens our company's brand.



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GoGreen – environmental protection

We want to minimize our impact on the environment by using resources in a responsible manner, since our CO₂ emissions are our most significant impact on the environment. We – as the first global logistics service provider to do so – have set ourselves a concrete CO₂ efficiency target. By 2020, we intend to improve our CO₂ efficiency (including subcontracted transportation) by 30 % compared with 2007 and, in the meantime, to improve our own CO₂ efficiency by 10 % by 2012. This is an important setting of direction for our Group: Besides tackling climate change, this will also reduce energy costs and boost our own – and our customers' – competitiveness in a sustainable manner.

While our core GoGreen target specifically relates to CO₂ emissions, we also address all other environment impacts – such as NO_x and SO_x emissions, natural resource consumptions, waste, water and noise – through our comprehensive environmental management approach. In 2010, we made good progress by strengthening our GoGreen program through important measures. We:

- updated our Environment Policy and other relevant policies
- started a European initiative to improve carbon transparency of road subcontractors
- launched new green fleet pilots with the focus on electric mobility
- started our first self-initiated climate protection project in Lesotho
- integrated our carbon efficiency status reporting into the business review processes of all divisions.

Our efforts received external recognition through awards and good results in rankings and ratings. But important challenges remain, because the availability of low- or zero-carbon technologies for transportation is still too limited and often not economically viable.



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GoHelp – disaster management

Through GoHelp, we deliver targeted and sustainable support to the international humanitarian community. This is achieved through a global partnership, established in 2005 and extended for another three years in December 2010, with the United Nations, in the field of disaster response and disaster preparedness.

We provide effective emergency aid in areas affected by natural disasters through our Disaster Response Teams (DRTs). With our program GARD (Get Airports Ready for Disaster), we offer training programs in disaster-prone regions to prepare for logistics challenges in emergencies. GoHelp delivers additional benefits for Deutsche Post DHL by creating opportunities to demonstrate our logistics expertise and the value of our global presence. This strengthens our brands and image as an employer.

Key activities and progress in 2010 include:

- DRT deployments to support relief efforts in Pakistan (floods, 30 DRT volunteers), Guatemala (floods, 29 DRT volunteers), Chile (earthquake, 10 DRT volunteers) and Haiti (earthquake, 36 DRT volunteers)
- the successful implementation of GARD in Nepal at five airports
- the launch of “Deutsche Post DHL – We Help Each Other” (WHEO), an initiative through which Deutsche Post DHL employees can support colleagues who have become victims of a natural disaster.

The number and intensity of DRT deployments were very high in comparison to previous years. While this is sad proof of the humanitarian community’s need for such support, we also recognize and value the exceptionally high level of commitment and effort required from our DRT volunteers.

In 2011, we will use our findings in Nepal and the results of discussions with the United Nations Development Programme (UNDP) to further develop our GARD training. We also plan to build up a pool of trainers to be able to roll out GARD in additional countries.

After five successful years, the partnership between Deutsche Post DHL and UNICEF expired at the end of 2010, an effect of the Group’s realigned focus on environmental protection, disaster management and education. The Group has supported numerous UNICEF projects, mainly in Kenya, Peru and India, to fight infant mortality. Donations, logistics support and volunteer activities carried out by employees helped to protect many children from disease.



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GoTeach – championing education

GoTeach reflects our commitment to a better quality of education and educational equity. Education is a prerequisite for social and economic progress, so we are promoting and developing initiatives that support individuals in their development and help them to expand their skills. The main initiatives in our GoTeach program are:

- a partnership with Teach First Deutschland
- a partnership with Teach For All
- a partnership with SOS Children's Villages
- *UPstairs* – a scholarship program for our employees' children.

With the goal of improving educational standards across the globe, we aim at strengthening our ability to attract and retain qualified employees for our company.

In February 2009, Deutsche Post DHL became a founding member and the largest supporter of Teach First Deutschland. Teach First Deutschland is a non-profit organization that recruits outstanding university graduates from a range of disciplines and sends them as "Fellows" for two years into schools in high-need areas.

Within our Teach First Deutschland partnership, we work in three areas: Employee volunteering, "Camp4us" summer camps, and the training and recruitment of Fellows. In 2010, we developed and implemented two mentoring programs and volunteering opportunities for our employees: In *Chance4you*, employees assume a mentoring role for a student while in *Engage4change*, Deutsche Post DHL executives act as mentors to Fellows. Both programs help mentees to unlock their potential and develop both personally and professionally. In 2010, we have again run two-week "Camp4us" summer camps that give 300 boys and girls the opportunity to work on interesting projects while contributing to the Teach First Deutschland Fellows' preparation for the school. Alongside this, we developed training opportunities for Fellows such as the *Business4Fellows* seminar, which offers hands-on insights on finance, project management, leadership and change management topics to help Fellows find their first jobs.

In September 2010, building on the positive experiences from our partnership with Teach First Deutschland, we signed a cooperation agreement with Teach For All. Teach For All is a global network of currently 19 national Teach For All partner organizations, which recruit outstanding university graduates to teach for two years in schools located in high-need areas. With the common goal of increasing the quality of education and improving educational systems around the world, Deutsche Post DHL supports the growth and development of the global network. In addition, we assist the development of national Teach For All partner organizations in Argentina, Brazil, Chile, India, Peru and Spain. Tailored to each country's individual needs, partnership activities will be selected and implemented in cooperation with the national Teach For All partner. During this process, we will draw on the experiences gained in our successful partnership with Teach First Deutschland in Germany.

At the end of 2010, we signed an agreement with SOS Children's Villages at an international level to prepare for a partnership in several countries. In the pilot countries – Brazil, South Africa, Vietnam and Madagascar – we aim to foster the employability of young people. We will invite our employees to personally contribute through various voluntary activities such as mentoring programs, and we will also offer training and individual support to the youths on the program. At the same time existing educational programs of SOS Children's Villages in these countries will be supported financially.



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In addition, we have launched the UPstairs scholarship program to promote children of our employees who could otherwise not afford the cost of higher education. UPstairs supports these children in earning a higher school degree or entering university. UPstairs also offers a range of further learning opportunities, materials, internships and mentoring. South Africa is our first of four pilot countries. In 2011, we will extend the pilot to Indonesia, Mexico and Romania, with a total of 50 scholarships. We plan to introduce UPstairs to further countries in the coming years.

Local community projects

“Living Responsibility” requires a joint effort. We rely on the voluntary commitment, the special abilities and the enthusiasm of our 470,000 employees around the world to bring “Living Responsibility” to life. All over the world, our employees are engaged in local or regional community initiatives, contributing to the societies in which we live and operate.

We encourage our employees to participate in numerous local initiatives. In 2010, we:

- set up the new “Living Responsibility Fund” to offer financial support to local community projects
- established “Living Responsibility” as a separate category in our annual CEO Awards
- intensified internal communication and best practice sharing.

Our People Strategy

Our People Strategy was developed in 2009 to support the overall goals of Strategy 2015 (http://www.dp-dhl.com/en/about_us/strategy.html). It has the principal objective of making Deutsche Post DHL *the* Employer of Choice in our industry.

Our People Strategy is structured around five strategic priorities and objectives:

Priorities	Strategic Objectives
I. Strengthening our Leaders	> Leadership guided by “Respect and Results”
II. Engaging our Employees	> Capable and committed workforce
III. Increasing Collaboration and ONE DHL	> Ability to leverage talent across the Group
IV. Enabling Business Growth	> Workforce flexibility to sustain and grow the business
V. Driving HR Efficiency	> Simplified and sustainable HR services

Its implementation is being realized through a number of strategic actions, of which four were prioritized for 2010:

- The “Leadership Framework” will strengthen our business by identifying the type of leaders we need.
- The project “Performance Measurement” also will strengthen our leaders by assisting a manager in the evaluation of performance of an individual against defined Core Competencies.
- The project “Talent Management” formulates career architectures for selected job families and identifies the paths that our employees can follow to progress in their selected careers.
- The “HR Service Delivery” strategic action will improve the efficiency of our HR organization.



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In 2010, we established our Employer Value Proposition (EVP), which defines our employer brand identity.

It consists of three key elements:

- We offer current and potential employees a diverse range of opportunities to develop professionally and personally (“Growth”).
- We empower them to contribute their ideas and skills to influence the success of the company (“Impact”).
- We support them to be a part of an organization that makes a contribution to society as well as to the world of postal services and logistics (“Pride”).

Our annual Employee Opinion Survey (EOS) is a longstanding strategic action that addresses strategic priority II “Engaging our Employees”. Understanding our employees’ views is vital to our strategy towards becoming the Employer of Choice in our industry.

To become Employer of Choice, we have to attract and retain employees irrespective of gender, origin, religion, age, sexual orientation or physical handicaps. Therefore, we have enhanced our diversity strategy in 2010, defined priorities and started new projects. Demographic trends, equal opportunities, career advancement for women and work–life balance are our focus areas.

In 2007, we launched our **Corporate Health Policy** (<http://www.dp-dhl.com/content/dam/dpdhl/responsibility/downloads/CHP%20dt%20final%20Deutsche%20Post%20DHL.pdf>), since our employees’ health and safety are important for the success of our Group. The policy defines the framework for our Corporate Health Management. In the field of occupational safety, we focus on road safety and support the targets of the “**European Road Safety Charter**” (<http://www.erscharter.eu>) through our Group-wide Road Safety Code and Road Safety Initiative.

First Choice

Ongoing improvement in all processes and services is the key to achieving our **Strategy 2015** (http://www.dp-dhl.com/en/about_us/strategy.html) goal of becoming the Employer, Investment and Provider of Choice. One of the main drivers in leading the Group to the top of the mail and the logistics industry is our Group-wide First Choice program.

Ongoing improvement lies at the heart of our business, and First Choice is how we implement and achieve it. Established in 2007, First Choice has developed quickly and continues to grow throughout the Group. Worldwide, we have more than 15,000 well-trained employees applying Six Sigma/Lean-based methods and tools to deliver measurable improvements in our business processes. With the know-how and skills of these First Choice practitioners, our business units continuously streamline and improve their operational excellence to secure greater effectiveness and higher-quality products and services. Increasing customer satisfaction rates in divisional surveys indicate that we are on the right track, but we understand that we must continue to listen to customers’ requirements to constantly strengthen our capabilities.



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First Choice initiatives not only help us to deliver superior services to our customers. First Choice also adds value to our CR activities. Under the GoGreen banner, many First Choice activities have led to significant reductions in fuel and energy consumption. One successful example is the introduction of a dedicated “GoGreen Dialog Map”, which helps our managers to run workshops with their employees to foster environment-friendly behavior. In 2010, First Choice activities contributed to cutting our CO₂ emissions by some 20,000 tonnes.

First Choice methods are also applied in our GoHelp program. One example – the Get Airports Ready for Disaster (GARD) program with the United Nations Development Programme (UNDP) – utilizes First Choice methods to help airports to manage large logistics processes when disaster relief teams set to work in the aftermath of natural disasters.

> **First Choice** (http://www.dp-dhl.com/en/about_us/first_choice.html)



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Business ethics

Our ethical attitude in pursuing the targets of our **Strategy 2015** (http://www.dp-dhl.com/en/about_us/strategy.html) is described by our Guiding Principle, “Respect and Results”. This commits all our employees to always demonstrate respect without compromising on results. Our **Code of Conduct** (http://www.dp-dhl.com/en/about_us/code_of_conduct.html) further explains how employees should act and through our Supplier Code of Conduct; we also apply this principle to our suppliers.

Our **corporate governance** (http://www.dp-dhl.com/en/investors/corporate_governance.html) follows and respects legal requirements for a publicly listed company in Germany. Respectful management of personal data is an important aspect of our business ethics and the highest data protection standards are a fundamental component of our product and service quality.

The overall mindset necessary to achieve the triple-bottom-line targets of our Strategy 2015, including the targets of our CR strategy, requires changing our daily business actions:



Our Guiding Principle

At Deutsche Post DHL, we have a strong tradition of striving for good financial results while maintaining respectful relations with our employees, customers, investors, and the public and political arenas.

Deutsche Post DHL is also guided by the Universal Declaration of Human Rights, the **United Nations Global Compact** (<http://www.unglobalcompact.org>) and the conventions issued by the **International Labour Organization (ILO)** (<http://www.ilo.org/global/lang--en/index.htm>).

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We respect these international frameworks through the Guiding Principle in our **Strategy 2015** (http://www.dp-dhl.com/en/about_us/strategy.html): “Respect and Results”. This illustrates the critical balance needed to ensure long-term business success. Focusing only on “Results” may help us achieve our short-term financial goals, but only with “Respect” will we be able to ensure our long-term business success. Both aspects are vital for our short- and long-term success, as we seek to maintain our leadership in the market.

Openness towards one another, acting with integrity towards our internal and external stakeholders, accepting social responsibilities – all these qualities form the basis for the principle “Respect”. They are also a prerequisite for close collaboration with one another, as they help us to become a more successful company. Delivering excellent quality, making customers more successful and acting according to clear priorities and in an entrepreneurial way continue to be goals we should eagerly strive towards. All these aims are encapsulated in the principle “Results”.

Our Code of Conduct

In 2006, we implemented our Code of Conduct with its rules and guidelines, through which we commit to operating based on the principles of integrity, responsibility, ethical acceptability and legality. The issues addressed range from respecting human rights, equal opportunities and environmental protection to adopting a clear position on forced and child labor, discrimination, bribery and corruption. The Code applies to every employee in our Group and its subsidiaries around the world. In 2010, the Code was translated into further languages: There are now 18 language versions available for download via our intranet.

Clear rules

In 2009, we issued two policies to complement our Code of Conduct:

- The Anti-Corruption and Business Ethics Policy details the principles of the Code for our managers by defining caps on the value of acceptable gifts and clearly outlining how to deal with such gifts or invitations to events.
- The Competition Compliance Policy commits managers and non-management staff in procurement, sales and marketing functions to adhere to local competition laws and internal policies and procedures.

To further strengthen our monitoring of policy implementation at an executive level, online acknowledgement of these policies has been made mandatory.

We are committed to preventing infringements by providing clear rules, standards and processes while at the same time, protecting the company against actual or alleged unfair, unethical or illegal actions. We conduct audits on a regular basis to establish how far our policies have been implemented in various regions and divisions.

Driving prevention through information

Through employee training, we create awareness for conduct in compliance with our Code of Conduct and related guidelines by providing practical information for day-to-day work. Our e-learning portal mylearningworld.net is the most important platform to reach out to a large number of employees. All new Deutsche Post DHL employees now learn about the Code of Conduct in standard training sessions, which also cover human rights issues.



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The training on the Competition Compliance Policy is compulsory for all management staff and non-management staff in procurement and sales and marketing functions, and was completed by almost 100 % of the defined target group in 2010. The training on the Anti-Corruption and Business Ethics Policy is also compulsory for all managers. In 2010, it was completed by approximately 70 % of the relevant managers. Both trainings are meanwhile available in 10 different languages.

Compliance organization

The compliance organization at Deutsche Post DHL includes:

- the Compliance Committee, which decides on key compliance management policies and required measures
- the Global Compliance Office, plus a network of 14 Regional Compliance Offices, which supports the Compliance Committee
- an Integrity Board, consisting of internal and external specialists who advise the Compliance Committee.

A review of the Compliance function and associated challenges within Deutsche Post DHL suggested further progress in the area of Compliance. As of 1st September 2010, a Chief Compliance Officer has been supporting the Group's efforts to continuously strengthen the Compliance Organization and to take into account changing global legal requirements, business demands and our responsibilities to our stakeholders.

A compliance risk mapping and organizational design project is being undertaken, to take stock of current compliance processes within the Group and to produce an organizational design that balances Corporate Center and business unit roles and responsibilities.

Employees can choose between various options for reporting possible breaches of the Code of Conduct or other compliance-related policies. This includes external hotlines and e-mail services specifically established for irregularities in finance and accounting. Reports are categorized according to topic, situation and extent. To respect confidentiality, we do not publish statistics or detailed information about individual cases.

Working with subcontractors and suppliers

Achieving our own strategic targets to be Employer, Provider and Investment of Choice and the implementation of our Guiding Principle also depend on the respective performance of our subcontractors and suppliers. Our **Supplier Code of Conduct** (http://www.dp-dhl.com/en/about_us/corporate_divisions/corporate_procurement/the_supplier_code.html) encourages our suppliers to meet ethical and environmental standards. It covers the following themes:

- laws and ethical standards (regarding child labor, forced labor, compensation and working hours, discrimination)
- health and safety
- business continuity planning
- improper payments and bribery
- the environment
- dialog with business partners.



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We expect our suppliers to adhere to these principles. The Supplier Code of Conduct was implemented in 2007 and has been mandatory for all new contracts since 2008. For strategic procurement reasons, most of our supplier contracts run for one year. By reviewing procurement contracts this frequently, the vast majority currently operate under the Supplier Code of Conduct framework.

The environmental aspects of our own supply chain have a very significant impact on our overall environmental footprint (see Environment). With regard to our most important environmental impact – our carbon footprint – our subcontracted transportation is of highest relevance. It accounts for about 80 % of the Group's total carbon emissions. In 2010, we therefore enhanced our engagement with subcontractors in all modes of transport to improve transparency and to work towards common carbon accounting and reporting standards. For example, we conducted a worldwide survey among road carriers on carbon efficiency. We also started a European Alliance to improve the carbon transparency of road subcontractors.

Data protection

Professional handling of personal data is firmly anchored in all parts of Deutsche Post DHL and is actively practiced. High data protection standards constitute an essential and value-adding factor that is important for gaining and retaining customers and qualified employees. At the same time, efficient data protection management minimizes the risk of statutory penalties and prevents reputational damage. Internally, we offer extensive consulting and training, which helps divisional and local management to design processes that meet the necessary high data protection standards.

A key instrument for maintaining and improving good data protection practices are centrally run audits of our related organizational structures. These audits use self-assessments and sample checks of relevant units within Deutsche Post DHL and rate the applied data protection performance along defined key performance indicators (KPIs). While aiming at continuous improvements of data protection practices, this also supports KPI-based compliance reporting against legal data protection requirements. At the same time, managers are sensitized to the topic and possible areas for improvement. In 2010, our German branches, some corporate departments and some subsidiaries were included in the audit process, and the audits shall be extended to further entities in the future. This will have to take into account that outside Europe, due to different legal requirements, data protection standards are quite diverse.

Data protection also is an important aspect in the design of new products and services. When developing the new E-Postbrief (<http://www.epost.de/>) – a safe and confidential letter via the internet – the responsible regulatory authority, the Federal Commissioner for Data Protection and Freedom of Information, was informed and regularly updated. We are also exploring ways to obtain a data protection certificate for the E-Postbrief service. In addition, we have launched a “security cup” inviting the professional IT community to challenge and test the security standards of the E-Postbrief.



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Corporate Governance

The declaration of Conformity pursuant to Section 161 of the Aktiengesetz (German stock corporation act) of the Board of Management and the Supervisory Board regarding the recommendations of the German Corporate Governance Code as well as information on the corporate governance practices of Deutsche Post DHL and the working methods of the Board of Management and the Supervisory Board and their committees, please see our Corporate Governance Report (see Annual Report).



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Engaging with stakeholders

With regard to our **Strategy 2015** (http://www.dp-dhl.com/en/about_us/strategy.html) and our targets to become Employer, Provider and Investment of Choice, our customers, employees and investors are the Group's key stakeholders, since the way we run our business has a direct and immediate impact on them and the Group. While many other stakeholders are directly or indirectly affected by, or can themselves influence, our business behavior, our customers, employees and investors show the highest level of engagement and interest in the Group's Corporate Responsibility (CR) performance and strategies.

Different stakeholders have different perceptions and expectations about how we should address CR, and understanding their interests and concerns is important. This is why we engage with them in many different ways, which also depend on the formats of, and opportunities for, interaction. While we draw conclusions from their feedback, we also inform them about the rationale and targets behind our CR strategy.

Specific external stakeholder interests

The content of our stakeholder dialog varies with stakeholders. For external stakeholders such as customers, investors, environmental or social NGOs, general topics of interest included our CR strategy and CR-related business risks and opportunities. These stakeholders show strong interest in environment-related issues. They want to learn about how we support the **UN Global Compact** (<http://www.unglobalcompact.org>) and its Principles, develop our disaster management, and how we contribute to the improvement of education standards across the globe.

The results from these consultations informed our concepts around carbon accounting and reporting, our updated Environment Policy, our new biofuels guideline, our updated Paper Policy, our positions on climate-change-related public policy and the further development of our *GOGREEN* services. Our GoHelp and GoTeach programs also benefitted from this.

Relevance of CR for corporate reputation

An international online reputation study performed in 2010 targeted the general public to identify which aspects most significantly determine the reputation of the Group. In total, 23 criteria were investigated, grouped under the topics:

- quality of products and services
- economic performance
- leadership / management
- the company as an employer
- vision and strategy
- CR, with the detailed criteria:
 - acts respectfully and responsibly in the local economies
 - takes care about environmental issues
 - is socially responsible.



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The three CR criteria have been rated as the least important for determining the Group's reputation with the public. This appears to contrast with the results from the "Green Trends Survey" (http://www.dp-dhl.com/en/logistics_around_us/trends/sustainable_logistics/global_green_trends_survey.html) but confirms our analysis that customers, employees and investors are our most important and most engaged stakeholders on CR issues. Other stakeholders and members of the general public mostly focus their interest on specific issues.

Tabular overview: stakeholder engagement and issues

The following table provides an overview and examples on how we engage with different stakeholders, the typical frequencies of the respective forms of engagement and our stakeholders' key interests and issues as perceived by us.

Key stakeholders	Examples for how we engage with them on CR issues	Typical frequency of engagement	Key CR-related interests and issues
Customers	Market research	Annually	Carbon footprint of Deutsche Post DHL services
	responses to information requests/tenders	Upon request	GOGREEN services
	Customer satisfaction surveys	Annually	Energy and fuel efficiency
	CR report	Annually	General environmental management and ISO 14001 certification
	Printed customer media	Quarterly	
	Bilateral discussion with account managers	On occasion	(see Green Trends Survey) (http://www.dp-dhl.com/en/logistics_around_us/trends/sustainable_logistics/global_green_trends_survey.html)
	Public media (trade journals etc.)	On occasion	(see customer satisfaction) (http://www.dp-dhl.com/en/media_relations/media_library/graphics/customer_satisfaction_outlet.html)
Employees and employee representatives	Conferences	On occasion	
	Direct bilateral dialog	Daily	General working conditions
	Employee Opinion Survey	Annually	Economic performance of the Group
	Internal print media	Daily, monthly, bimonthly, depending on format	"Respect and Results" / Code of Conduct Strategy 2015
	CR sections on intranet	Daily	Employee Opinion Survey
	CR report	Annually	Employee engagement in CR initiatives, e.g. in GoGreen, GoHelp, GoTeach
	Discussion fora on our intranet	Daily	cross-border matters in the applicable agreement's area of territorial application
	Town hall meetings	Quarterly	Vocational training/recruiting
	Employee Trend Monitor	6–9 times a year	Personnel development
	Trainings (including e-learning)	Annually	Demographics
	Deutsche Post DHL Forum	Twice a year (does not take into account the Forum's sub bodies)	
	General meeting of works councils (Germany)	Annually	
	Jour-fixes	Depending on local conventions	
	CR Report	Annually	



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Key stakeholders	Examples for how we engage with them on CR issues	Typical frequency of engagement	Key CR-related interests and issues
Investors	Annual General Meeting	Annually	Economic performance of the Group
	Announcements of annual / quarterly results	Annually/quarterly	Strategy 2015
	Roadshows and analyst conferences	Annually	Carbon efficiency
	SRI ratings and rankings	Annually	Climate-change-related risks and opportunities
	Conferences and symposia	On occasion	CR in our supply chain
	Annual report	Annually	Performance in sustainability indices (DJSI, FTSE4Good, CDP, etc.)
	CR report	Annually	
	Bilateral meetings with analysts and investors	Upon request/on occasion	
Partner organizations, e.g. OCHA, UNDP, Teach For All, Teach First Deutschland, SOS Children's Villages	For detail, see descriptions of the related activities in the Environment, Society and Employees sections of this Report.		
Other stakeholders include:			
Other business partners (suppliers, subcontractors and other service providers, industry peers, etc.)	Requests for information / tenders	Upon request	Carbon efficiency
	Working groups of trade associations and business initiatives	Quarterly	Carbon accounting
	Annual and CR Report	Annually	Green products and services
	CR content on website	Continuous	Other environmental footprint
	CR reports of trade associations	Annually	CR in the supply chain
	Trade journals and other public media	On occasion	
Unions	Regular meetings (on global level with global union federations)	Depending on respective conventions	Economic performance of the Group
	CR Report	Annually	"Respect and Results"
	Conferences	On occasion	Diversity
NGOs, i.e.	CR Report and Annual Report	Annually	Carbon efficiency
– environmental interest groups	Bilateral meetings	Upon request/on occasion	Carbon accounting
– social interest groups	Conferences and symposia	On occasion	Green products and services
	Partnerships and joint initiatives	Bimonthly	Sustainably produced biofuels
			Other environmental footprint
			CR in the supply chain
			Paper and sustainable forestry
			Disaster response and preparedness
			Education
		Human rights and social standards in the supply chain/ Supplier Code of Conduct	



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Key stakeholders	Examples for how we engage with them on CR issues	Typical frequency of engagement	Key CR-related interests and issues
Other stakeholders include:			
Policy makers	CR Report and Annual Report	Annually	Taxation of postal services
	Bilateral meetings	Upon request/on occasion	Transport security
	Through trade associations and business initiatives	On occasion	Climate change
	Public media and trade journals	On occasion	Development and piloting of E-mobility
Members and representatives of the general public (scientific institutions, media representatives, private individuals, etc.)	CR Report and Annual Report	Annually	Living Responsibility and GoGreen, GoHelp and GoTeach programs
	Conferences and symposia	On occasion	Reporting on CR
	Bilateral meetings	Upon request/on occasion	Carbon accounting
	Public media and trade journals	On occasion	Efficiency in the logistics industry
	Corporate website, print media, press statements, interviews, etc.	Continuous/on occasion	
	Dedicated feedback section in CR Report	More than 130 responses on CR Report 2009/10	
	"Contact us" on corporate website	Sporadically	



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Key issues

Within the general framework of the **global economic environment** (<http://www.dp-dhl.com/reports/2010/annual-report/group-management-report/global-economy.html>) for our industry and our Group, we build on the results of our dialog with stakeholders, as well as on our own analysis, to continuously refine and improve our Corporate Responsibility (CR) strategy. This relies on our global presence, as well as the knowledge, experience and commitment of our employees in local markets around the world.

Based on the unique strengths and assets of our company, we aspire to make a positive contribution to society through credible social engagement and sound environmental performance. This will also contribute to securing the long-term success of our company.

Minimizing our environmental footprint, using our logistics skills to prepare for and respond to natural disasters, and our contribution to better education and educational equity are therefore priorities of our CR strategy under the motto “Living Responsibility”.

Our People Strategy aims at becoming Employer of Choice in our industry. **First Choice** (http://www.dp-dhl.com/en/about_us/first_choice.html) and our CR strategy are equally essential to our economic success.

All these considerations are generally informed by international frameworks, principles and guidelines such as:

- the **United Nations’ Universal Declaration of Human Rights** (<http://www.un.org/en/documents/udhr/index.shtml>)
- the **Principles of the United Nations Global Compact** (<http://www.unglobalcompact.org/>)
- the core **Principles of the International Labour Organization** (<http://www.ilo.org/global/lang--en/index.htm#1>).

Our further evaluation of the materiality of issues mentioned in this report was particularly guided by:

- our internal analysis of relevant issues and important stakeholders
- our various forms of stakeholder dialog, particularly our Employee Opinion Survey (EOS), **Green Trends Survey** (http://www.dp-dhl.com/en/logistics_around_us/trends/sustainable_logistics/global_green_trends_survey.html) and the feedback received on the CR Report 2009/10
- sustainability reporting standards, in particular the **Global Reporting Initiative Guidelines** (<http://www.globalreporting.org>) and the **GHG Protocol standards and draft standards** (<http://www.ghgprotocol.org/>).

In this way, we have, throughout 2010, built on and further developed the focus areas we described in our CR Report 2009/10.



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Environment

Our impacts on the environment are diverse. They differ in quality and quantity, and in scale, from local to global. Emissions from our air and road fleet are not limited to CO₂; they also include pollutants like nitrous oxides (NO_x), particulates and hydrocarbons, which influence both local and global air quality. Noise is a further issue, mostly related to our aviation activities and the operation of facilities like hubs, depots and warehouses. Consumption of natural resources (such as fossil fuels, paper, packaging and water) not only facilitates our services but generates waste and other impacts on the environment.

In 2010, we conducted a “**Green Trends Survey**” (http://www.dp-dhl.com/en/logistics_around_us/trends/sustainable_logistics/global_green_trends_survey.html) among 1,800 business customers and 1,800 end consumers. The results very clearly support our strong focus on the climate change and carbon efficiency in our GoGreen environmental protection program. Also, our internal “Environmental Radar” has identified climate change and carbon efficiency as our most important environmental impact.

Our carbon emissions are closely related to our fuel and energy consumption, and thus our operating costs. In many cases, further synergies arise, for example when new vehicles not only offer better fuel and carbon efficiency, but also are quieter and come with improved emission standards, thereby reducing emission levels of other pollutants.

In addition to carbon efficiency, the GoGreen program also covers all other environmental issues including natural resources, air pollution, water, waste and sustainable sourcing. GoGreen is also the umbrella for our comprehensive environmental management, allowing us to look at all our different environmental impacts in an integrated and more holistic way.

Employees

Our People Strategy leads the way to become the logistics industry’s Employer of Choice. It builds on a long tradition of successful HR programs and initiatives at Deutsche Post DHL. The strategy was introduced in 2009 and informed by extensive discussions with Board Members, business leaders and HR managers. The results from our Employee Opinion Survey and a variety of external factors such as demographic trends were also taken into consideration. By building on this, our strategy supports cross-divisional collaboration and talent management as key factors in the success of our overall **Strategy 2015** (http://www.dp-dhl.com/en/about_us/strategy.html).

Under the umbrella of CONNECT, we increase our attractiveness as an employer by integrating our talent management programs:

- “Top-Azubi” for vocational trainees
- JOIN (Join Our Internal Network)
- GrOW (Graduate Opportunities Worldwide)
- ACTIVATE for professionals.

We offer a range of initiatives in the areas of health management and occupational safety as well as diversity and corporate culture. Thus we prepare our businesses for the challenges of demographic developments.



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We respect human rights within our area of influence and operate our businesses in such a way as to make us an exemplary employer.

Society – GoHelp

Our program GoHelp is closely linked to our core competencies as a global logistics provider. The rationale for our most visible contribution, our logistics support after natural disasters, is driven by sad experience: In December 2003, an earthquake struck the city of Bam, Iran, and killed 30,000 people. The local airport authorities were completely overwhelmed by the number of aircraft bringing tonnes of supplies from around the world. DHL realized that we could use our expertise in logistics, our global network and our employees' talents to deliver help by managing the logistics at the airport and thereby ensuring the continuous flow of inbound freight.

This experience drove our determination to come up with a solution. Deutsche Post DHL entered into a partnership with the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA) in the area of Disaster Management in 2005. Today, DHL's global Disaster Response Team (DRT) network consists of three teams which are assigned to specific geographic regions and have already served on many natural disaster relief efforts.

But we knew we could do even more: With our program Get Airports Ready for Disaster (GARD), developed with the United Nations Development Programme (UNDP), we expanded our disaster management efforts into the field of disaster preparedness. This includes on-site training programs and surge capacity assessments at airports located close to disaster-prone areas, making disaster relief efforts more effective. GARD was successfully implemented at five airports in Nepal in 2010 and will be rolled out further in the future.

Society – GoTeach

We introduced our GoTeach program to advance the quality of education and improve educational equality throughout the world. We believe that good education gives each and every one a better opportunity to take an active role in their societies and economic environments. This is crucial for the development of any country.

In the industrialized countries of the Western world, people face the challenge of adjusting educational systems and programs to the changing requirements for competencies and skills. The task in developing and emerging countries is rather to provide access to primary education to all children. However, the objectives of education policy have more in common than you might expect. Even developed countries have to find ways to train underprivileged groups of their societies for a successful life and career, reduce the number of dropouts and make sure that people's social background will not impact the quality of their education and training. Bearing this in mind, education is a key issue for all regions with high requirements on their citizens' degree of qualification.

As one of the largest employers worldwide we rely on qualified employees. We cannot ignore problems and issues in the area of education but have to take on responsibility. The sustainable success of our company will depend on well-qualified personnel across all areas and levels.



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Since February 2009, we are committed to the German education initiative Teach First Deutschland as part of our GoTeach program. Teach First Deutschland encourages outstanding university graduates to work at secondary schools in deprived areas across the country. Our partnership has proven successful for two years, motivating us to enter cooperation with the global network organization Teach For All in September 2010. This global network combines all national Teach For All partner organizations that recruit and develop university graduates to commit for two years to teach in schools in high-need areas, advancing the quality of education and supporting individual students in their countries. At the end of 2010, we signed an agreement with SOS Children's Villages at an international level to prepare for a partnership in several countries. In the pilot countries – Brazil, Madagascar, South Africa and Vietnam – we aim to foster the employability of young people. In addition, we have launched the UP*stairs* scholarship program to promote the children of our employees – provided their parents' income does not exceed a certain amount. UP*stairs* supports these children in earning a higher school or university degree.

Transport security

As one of the largest air cargo integrators and forwarders, DHL has robust security policies and procedures in place which meet all international aviation security requirements and regulation and has had so for many years. DHL will, at all times, continue to work diligently and proactively with aviation authorities, as well as representatives of country legislative and industry bodies, to ensure full compliance, and to support and collaborate on improving security aspects further. For further information please see our **Annual Report 2010**. (<http://www.dp-dhl.com/reports/2010/annual-report/group-management-report/security.html>)



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Managing Corporate Responsibility

Our **corporate governance** (<http://www.dp-dhl.com/reports/2010/annual-report/corporate-governance/corporate-governance-report.html>) follows and respects legal requirements for a German publicly listed company. Our **Group structure** (http://www.dp-dhl.com/en/about_us/at_a_glance/group_structure.html) provides the backbone for the allocation of CR-related responsibilities. To take account of the global nature of our CR impact and approach, we manage CR in close alignment with general management structures and processes. By attaching CR-related management responsibilities to existing internal decision-making bodies and management roles, we keep our CR management structures and related processes lean and efficient. At the same time, this supports embedding CR management into daily practices.

The Corporate Board is the most senior decision-making body on CR topics. It is supported by different functional and divisional bodies:

- The Corporate Public Policy and Responsibility department holds responsibility for the GoGreen, GoHelp and GoTeach programs under the motto “Living Responsibility”. The head of department reports directly to the CEO.
- At a corporate level, our HR (Human Resources) Council sets our respective global strategies and monitors progress and performance. At the Board level, personnel issues are represented by a dedicated member of the Board of Management.
- The most senior decision-making bodies in the divisions and corporate services discuss CR topics as relevant and review performance.

They receive support from and work with divisional CR and Human Resources functions in all divisions. Experts in functional and staff departments – including procurement, fleet and facility management – are involved in and inform all relevant decision making, and attend committee and Board meetings as appropriate.



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Working in partnership

National and international bodies and initiatives are important partners for Deutsche Post DHL in our efforts to make a positive contribution to society. They can help us to learn from others, share experiences, and enhance – or even multiply – our own efforts in almost all areas of CR.

In some areas, partnerships are of strategic importance for the success of our CR programs. These strategic partnerships include:

- a partnership with OCHA on DRTs
- a partnership with UNDP on GARD
- partnerships with Teach First Deutschland, Teach For All and SOS Children's Villages on GoTeach.

We enjoy being a member of or working with international organizations and institutions. These include:

- the United Nations Global Compact (UNGC), including being a signatory to the UNGC's "Caring for Climate" statement
- the World Economic Forum (WEF), including the Logistics and Transportation Sustainability Initiative and the Partnering Against Corruption Initiative (PACI)
- the World Business Council for Sustainable Development (WBCSD)
- the **Clean Cargo Working Group of Business for Social Responsibility (BSR)** (<http://www.bsr.org/consulting/working-groups/clean-cargo.cfm>)
- **UNEP Climate Neutral Network** (<http://www.unep.org/climateneutral>)
- **International Organisation of Employers** (<http://www.ioe-emp.org/>)
- **Global Business Coalition on HIV/AIDS, Tuberculosis and Malaria** (<http://www.gbciimpact.org>)
- **European Road Safety Charter** (<http://www.erscharter.eu/de/www.erscharter.eu/>)
- the EU Commission's Social Dialog Committee for the postal sector (Ausschuss für "Sozialen Dialog Post" der EU-Kommission)
- the **Universal Postal Union (UPU)** (<http://www.upu.int>), the **International Post Corporation (IPC)** (<http://www.ipc.be>), **PostEurop** (<http://www.posteurop.org>) and many of their CR-related working groups and committees
- the **Private Sector Road Safety Collaboration (PSRSC) on Global Road Safety Initiative** (http://www.who.int/roadsafety/private_sector_network/en/index.html)
- **Corporate Leadership Council** (<https://clc.executiveboard.com/>)
- **Enterprise for Health** (<http://www.enterprise-for-health.org>)
- **Komen Breast Cancer Foundation** (<http://ww5.komen.org/>).

See our GoGreen program for further examples of how we work with environment-related organizations.

As a global company strongly rooted in our local and regional communities, we also work with many national and local institutions, organizations and initiatives.



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ECONOMIC IMPACT



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Economic impact

Our **Annual Report** (<http://www.dp-dhl.com/reports/2010/annualreport/index.html>) and **other financial publications** (<http://www.dp-dhl.com/en/investors.html>) describe in detail the economic and financial performance of the Group, our business strategy and our governance structure.

As the world's leading mail and logistics services group, our economic footprint in 2010 is characterized by revenues of over €51 billion and €1,835 million profit (EBIT). About 470,000 employees in more than 220 countries and territories form a global network focused on service and quality, playing a vital role for global trade. Through the wages and salaries we pay, our tax payments, the purchasing volumes placed with suppliers and subcontractors, and dividends for our shareholders, our economic footprint reaches far beyond the pure financial performance numbers in our own financial statements. We recognize the corporate responsibility resulting from this and with programs in the areas of environmental protection (GoGreen), disaster management (GoHelp) and education (GoTeach), the Group accepts this responsibility.

This section provides a brief overview of our economic impact at a global, national and local level. Please visit the **Investor Relations section** (<http://www.dp-dhl.com/en/investors.html>) for more details of our economic impact, and for copies of our financial publications.


Wages and salaries

In 2010, we paid salaries worth over €13 billion to our employees. This comes as the result of being one of the world's largest private employers (see statistics on employees by region and by employee group and our **Annual Report** (<http://www.dp-dhl.com/reports/2010/annualreport/index.html>)). As we employ people across a worldwide network, thousands of local communities, families and businesses depend on these salaries as financial resources. And this money, once spent by our employees, keeps on working due to the multiplier effect.

Taxes

We paid €194 million in income taxes in 2010. These income taxes, together with other taxes, are paid to national and local authorities, helping to finance important transport and social infrastructure, public programs and other public services. In 2010, we also received €10 million in subsidies.

Please see our **Annual Report** (<http://www.dp-dhl.com/reports/2010/annual-report/notes/19-income-taxes.html>) for detail on taxes.

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Global trade

We touch a significant part of global trade through our extensive logistics and transportation network. This could include anything from the precisely timed delivery of parts to the assembly lines of an automobile manufacturer to delivering a product brochure to a potential customer's home, or shipping a parcel for an internet retailer.

In addition to this global view, there is a very local aspect to our business. In many countries, Deutsche Post DHL services are indispensable for small and medium-sized businesses, offering them a dependable solution for transporting their products and delivering their documents.

Our services open up new opportunities for businesses, enabling them to explore new markets and generate additional revenues. By helping our customers to be successful, we make it more likely that they can continue to offer jobs to their employees, generate tax revenues for social programs, and contribute to economic and social development.

Procurement

In 2010, the Group centrally purchased goods and services with a total value of approximately €8.5 billion. These purchases ranged from aircraft, vehicles, IT and communications, real estate and services, to smaller items such as office paper and toner cartridges for printers.

We also purchased a wide variety of goods and services locally in the countries and territories where we operate. Taken together, this considerable spend has an appreciable impact on many businesses – both small and large – around the world.

Please see our **Annual Report** (<http://www.dp-dhl.com/reports/2010/annual-report/group-management-report/procurement.html>) for further details.

Dividend payments

In the 2010 financial year, we paid a dividend of €725 million for 2009 to our shareholders. This money is generated by the business, distributed to shareholders and then recirculated through the economy.



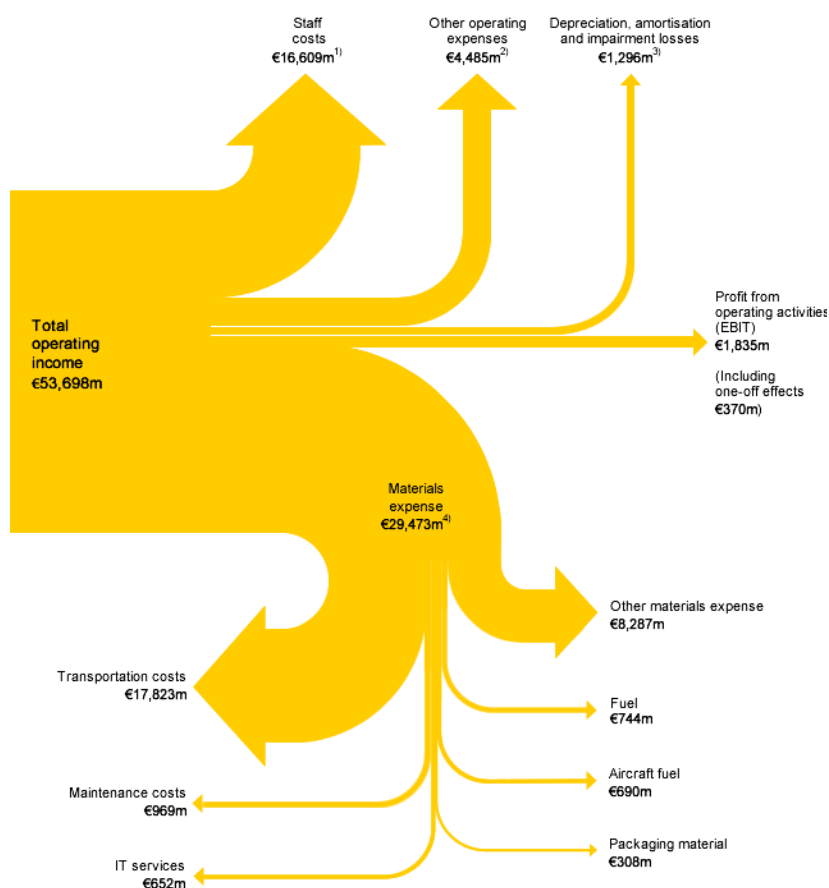
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Revenue distribution chart

To understand the economic impact of the revenues generated by Deutsche Post DHL, one needs to analyze the different purposes for which these revenues are used. We have developed the following chart showing the most significant distribution channels and their relative proportions. It builds on numbers from our **Annual Report 2010**. (<http://www.dp-dhl.com/reports/2010/annual-report/index.html>)



1 See Note 14 from our Annual Report 2010

2 See Note 16 from our Annual Report 2010

3 See Note 15 from our Annual Report 2010

4 See Note 13 from our Annual Report 2010



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ENVIRONMENT



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GoGreen: Our approach towards environmental protection

We recognize environmental protection as our responsibility as well as a business opportunity.

In October 2010 Deutsche Post DHL published the study “*Delivering Tomorrow: Towards Sustainable Logistics*” (<http://www.dp-dhl.com/sustainable-logistics>). Key trends based on an international customer survey and expert interviews reveal the role of logistics in moving towards a low-carbon future. That’s what we strive for.

We are committed to minimizing the impact of our business on the environment. Our core businesses, mail and logistics, result in emissions of carbon dioxide (CO₂), making climate protection the primary focus of our efforts. However, our environmental protection program, GoGreen, also sets the stage for our environmental management system, covering the local management of aspects such as water, waste, noise, the use of natural resources and local air pollution.


GoGreen is part of Deutsche Post DHL’s corporate strategy. Our environmental protection program is crucial to our strategic goals to make a positive contribution to the world and offer our customers innovative, sustainable solutions. To improve our environmental performance further, we updated our Group-wide Environmental Policy in 2010. It sets the foundation for our GoGreen program and helps ensure our environmental compliance. The primary objectives laid down in our Environmental Policy are:

- to achieve transparency of our environmental impact, with a focus on our carbon footprint including subcontracted transportation
- to improve operational efficiency and minimize our environmental impact
- to generate value in offering green solutions to our customers and helping them to achieve their environmental goals
- to demonstrate leadership in fostering green technologies, helping to shape political regulations and engaging with our key stakeholders
- to mobilize employees in strengthening their environmental knowledge and helping them to engage in environmental protection.

The main focus of GoGreen is climate protection. We are committed to improving the CO₂ efficiency of our own operations and those of our transportation subcontractors by 30 % by 2020, compared to our 2007 baseline. This means reducing the CO₂ emissions we generate for every letter and parcel sent, every tonne of cargo transported and every square meter of warehouse space used by 30 %.

Deutsche Post DHL was the first logistics company to set a quantified carbon efficiency goal. Step by step, we are working to reach this ambitious goal and to improve our efficiency, thereby reducing costs, adding value and creating new market opportunities.

To implement GoGreen successfully across the Group, the program is driven by dedicated departments at corporate and divisional level and strongly linked with the Group’s management processes. In 2010, we strengthened the GoGreen program by integrating the reporting of carbon efficiency improvements into our regular business management processes. Further important achievements in the reporting year have been:

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Green steps and achievements in 2010

Carbon emissions and efficiency index

Achieving transparency of our CO₂ emissions and other environmental impacts is a prerequisite for our GoGreen program. One important step in 2010 has been the set-up of a cross-industry European initiative to improve the transparency of road transportation subcontractors, co-founded by Deutsche Post DHL.

Improving our carbon efficiency

To improve our carbon efficiency and minimize our impact on the environment, we are optimizing our networks, modernizing our fleet and reducing the energy consumption of our buildings. One highlight from 2010 is the approval for piloting 86 electric vehicles to set logistics standards and reduce our dependency on fossil fuels.

Managing non-carbon aspects

Based on our comprehensive environmental management approach, we strive to manage non-carbon environmental aspects and increase the percentage of employees working in ISO 14001 certified sites. In 2010, 49 % of our employees worked under ISO 14001.

Mobilizing employees


With around 470,000 employees worldwide, we rely on their commitment to protect the environment. In 2010, over 14,000 employees from 80 countries joined activities for World Environment Day and around 5,000 employees participated in GoGreen Dialog Map workshops to save resources in their workplace.

Green solutions for our customers

With our green solutions, we help our customers to achieve their environmental goals. In 2010, we delivered more than 1.7 billion carbon-neutral *GOGREEN* shipments. And to create our own carbon credits in the future, we launched our first climate protection project in Lesotho with efficient firewood stoves, saving up to 80 % carbon emissions compared to conventional stoves.

Demonstrating leadership

To support our climate protection ambitions, we collaborate with partners from research and industry and ask for a respective political framework. In 2010, we published the study “*Delivering Tomorrow: Towards Sustainable Logistics*”, based on a green customer survey and interviews with external and internal experts.

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Carbon emissions and efficiency index

As CO₂ emissions are recognized as the most significant environmental impact of the logistics industry, we set ourselves a carbon efficiency target, which sits at the heart of our GoGreen program. To monitor and control our target, the development of a carbon accounting and controlling system is key. We are integrating the capture of carbon data into our business processes step by step, to ensure transparency for our customers and public reporting, and to enable the management of our carbon efficiency.

The key target of our GoGreen program is to improve our CO₂ efficiency, including our transportation subcontractors' operations, by 30 % by the year 2020, compared to 2007 levels. With our carbon accounting and controlling system, based on the internationally accepted Greenhouse Gas Protocol and the ISO 14064 standard, we are able to track and manage our progress.

Since 2010, Carbon Accounting and Controlling has been established as a dedicated department within Deutsche Post DHL's Corporate Controlling, emphasizing the business relevance of GoGreen. Our reporting of climate data and our GoGreen program have been rewarded in the 2010 Global 500 Carbon Disclosure Leadership Index where we were ranked 2nd with 97 out of 100 possible points amongst the 500 largest companies in the world.

We report our carbon footprint for all legal entities included in our Group's financial statement on a yearly basis. We differentiate between scope 1, scope 2 and scope 3.

Scopes 1 and 2

The reporting of emissions from our own sources (scope 1) and from energy supply (scope 2) is already linked to our financial accounting and reporting. In this way, we are able to capture CO₂-relevant consumption data (fuel, kerosene and energy consumption of our own fleet and buildings) via our financial systems and directly link it to expense data for validation purposes. To calculate CO₂ emissions from fuel and energy consumption, Deutsche Post DHL uses emission factors published by internationally acknowledged institutions such as the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA).



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CFA – Carbon Footprint Assessment tool

In 2010, DHL Express made the strategic decision to roll out the Carbon Footprint Assessment (CFA) tool globally. The CFA tool is a web-based solution, developed in-house, that was piloted in the Asia Pacific region to capture property, transportation and operational data, enabling carbon emissions to be calculated over time. Since its pilot in 2008, the CFA tool has been deployed to over 1,700 sites in 65 countries, territories and entities around the world.

The CFA tool enables carbon efficiencies achieved from a range of DHL Express CO₂ abatement initiatives to be quantified. Additionally, by feeding into another internal system that generates accurate reports of customer carbon footprints based on actual operational data – a first for the express delivery logistics industry – DHL Express was able to offer the carbon-neutral *GOGREEN* service to more countries in 2010.

The data from the CFA tool feeds into the Corporate Carbon Accounting and Controlling system.


The CFA tool provides transparency of CO₂ emissions to DHL Express – this indirectly increases CO₂ efficiency within the organization, generates value through CO₂ efficient logistics and prepares DHL Express for future regulatory changes.

Scope 1 fuel use

Fuel use for transportation	2008 ¹⁾	2009 ¹⁾	2010
Total aviation fuels (million liters)	1,530.5	1,315.0	1,507.0
Total kerosene	1,530.5	1,315.0	1,507.0²⁾
Total liquid road fuels (million liters)	631.4	518.5	494.9
Biofuels	0.5	n.a.	n.a.
Biodiesel	n.a.	0.3	0.9
Bioethanol	n.a.	1.0	5.8
LPG (liquefied petroleum gas)	2.1	1.6	1.6
Gasoline	66.9	35.1	38.4
Diesel	561.9	480.5	448
Total gaseous road fuels (million kg)	0.7	1.0	1.2
Biogas	n.a.	0.1	0.1
CNG (compressed natural gas)	0.7	0.9	1.1

¹ 2008 and 2009 as previously reported.

² As published in our 2010 annual report. Data relates to old scoping rules (see page 59)

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Scopes 1 and 2 energy use

Energy use in buildings and facilities (million kWh)	2008 ¹⁾	2009 ¹⁾	2010
Standard electricity	2,039	1,352	1,225
100 % green electricity ²⁾		632	733
Heating ³⁾	713	n.a.	n.a.
District heating	138	164	222
Heating oil ⁴⁾	303	212	283
Natural gas	912	1,031	1,045
Liquefied petroleum gas (LPG)	66	83	78
District cooling	2	8	9
Total	4,172	3,481	3,595

1 2008 and 2009 as previously reported.

2 For 2008, the split between standard and 100 % green electricity is not available.

3 "Heating" stands for calculated/estimated energy use where the energy source is not specified. This category is no longer used.

4 Also includes quantities of petrol and diesel for auxiliary power generators.

In 2010, our CO₂ emissions in scopes 1 and 2 from own fleet and energy supply added up to 6.0 million tonnes (compared to 5.6 million tonnes in 2009). The increase in absolute emissions mainly results from our strategic decision to use our own assets for long-distance air transports in highly efficient, well-utilized aircraft.


In 2010, we began adapting our reporting to match the view of the European Emissions Trading Scheme. With this adaption, we will have to shift a significant amount of scope 1 CO₂ emissions from air transportation to scope 3. According to these new rules, our scopes 1 and 2 emissions will add up to 5.0 million tonnes.

Emissions shift from scope 1 to scope 3 along the introduction of the EU Emissions Trading Scheme

The Greenhouse Gas Protocol defines scope 1 emissions as emissions that occur from sources that are owned or controlled by the reporting company. We set up our Carbon Accounting System to collect fuel and energy consumption data side by side with the material expenses in our financial accounting system. Scope 1 and 2 emissions are thus directly related to the material expenses in our balance sheet.

Especially the aviation industry shows a multitude of complex contractual agreements where contracts might or might not include the fuelling of aircraft at certain airports, on certain lanes or even on certain days of the week. With emissions calculated on the basis of fuel volumes paid, it therefore becomes a challenge to ensure these emissions match the transport volumes retrieved from our operational systems, causing a lot of effort and requiring detailed operational knowledge.

As of 2012, the European Emissions Trading Scheme (EU-ETS) will include the aviation industry. For Deutsche Post DHL, this means that we are obliged to report every tonne of CO₂ emitted by our own or dedicated aircraft where flights depart or land in Europe and are legally operated using a DHL call sign.

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Aircraft that are only dedicated to our network, but are operated by third-party airlines, will not be included in our EU-ETS reporting as these airlines will have to report for themselves, if the criteria for the EU-ETS apply.

To remain consistent and transparent as well as to simplify processes, we decided to harmonize our GHG and ETS reporting. We therefore adopt the rules of the EU-ETS from 2010 onwards by redefining our operational boundaries. We include every flight which is legally operated by one of our airlines in scope 1 and flights operated by third-party airlines in scope 3. This is a significant change compared to our previous reporting.

To show this transition in a transparent way, this year will be displayed using both the old and the new scoping rules:

Step 1: With the old scoping rules, our CO₂ emissions total up to 6.0 million tonnes. This includes all aviation fuel volumes we also included in our financial reporting and therefore also fuel volumes for flights which were fuelled, but not operated by Deutsche Post DHL.

Step 2: The limitation to flights legally operated by Deutsche Post DHL airlines reduces our total scope 1 and 2 emissions by 1.0 million tonnes to 5.0 million tonnes, because we provide fuel for more flights than we operate ourselves. Instead of using the fuel volumes we paid for as a basis for scope 1, we now use independently verified fuel consumption data on a flight-by-flight basis for all flights operated by one of our airlines in Europe from the EU-ETS reporting. For flights operated by us outside Europe, we apply the same criteria as for flights in the EU-ETS, but had to calculate the emissions using the detailed NTM calculation methodology, having crosschecked this fuel burn against financial reports.

Step 3: Using the same model as for scope 1, we calculated the CO₂ emissions for all flights not legally operated by our airlines. This adds 1.2 million tonnes of CO₂ to scope 3. The addition to scope 3 is slightly higher than the removal from scope 1, because a more conservative estimation for emissions on third-party flights has been used.

Both our former and the new calculation methodology are valid approaches according to the GHG Protocol. Additionally, we leverage the mandatory reporting in the EU-ETS to define clear operational boundaries. Another benefit of aligning our reporting to EU-ETS is an additional third-party verification of matching fuel and transport volumes, which will add to the audit of this report and increase our data's credibility.

Scope 3

Our scope 3 carbon emissions, covering subcontracted transportation and business travel, account for about 80 % of the Group's total carbon footprint. As many subcontractors do not publicly report their CO₂ emissions or carbon efficiency data, the related reporting is mainly based on calculation models. We aim to integrate our indirect emissions calculation and reporting (scope 3) into our financial accounting by 2012. Our scope 3 emissions are based on calculation models, assumptions and, where available, on reported fuel consumption.

Where available, we use acknowledged industry standards for emission calculations in combination with operational data. Important standards are the **Network for Transport and the Environment (NTM)** (<http://www.ntmcalc.se>) methodology for air transport or emission factors made available by the **Clean Cargo Working Group (CCWG)** (<http://www.bsr.org/consulting/working-groups/clean-cargo.cfm>), the **Handbook Emission Factors for Road Transports (HBEFA)** (<http://www.hbefa.net/e/index.html>) or emission factors directly from carriers.



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In 2010, our scope 3 emissions added up to 22.2 million tonnes according to our old scoping rules which compare to 19.1 million tonnes in 2009. The absolute increase in carbon dioxide emissions is largely determined by rising volumes and utilization in air and ocean freight in our Global Forwarding business after the economic crisis in the past years and goes hand-in-hand with a remarkable efficiency improvement (see “Carbon Efficiency Index”).

Carbon emissions from scopes 1, 2 and 3

CO ₂ emissions (million tonnes of CO ₂)	2008 ¹⁾	2009 ¹⁾	2010 (old scoping) ³⁾	2010 (new scoping) ³⁾
Scope 1		4.9	5.3	4.3
Scope 2		0.7	0.7	0.7
Total scopes 1 and 2	6.6	5.6	6.0	5.0
Scope 3	20.5	19.1	22.2	23.4
Total scopes 1 to 3	27.1	24.7	28.2	28.4

1 2008 as previously reported

2 Scope 3 has been adapted to reflect methodology improvements

3 See explanation on page 59

A road carrier survey conducted in 2010 to set the base for better transparency of our road subcontractors' CO₂ efficiency yielded only a very low response rate, showing the difficulty of gaining transparency about their carbon efficiency. It encourages us to further strengthen our direct cooperation with transport subcontractors and to establish a network similar to the SmartWay initiative in the United States. Thus, we took an important step in 2010 towards improving subcontractor transparency and management within road transport:


Industry leaders establish working group to enable transparency on carbon emissions from road freight transport in Europe

Jointly with leading companies from different industries, we set up a European working group to enable transparency on carbon emissions from road freight transport in Europe. Deutsche Post DHL, Heineken, IKEA, Kraft Foods, TNT and UPS, together with a wide group of further multinational companies, are partnering to launch a standardized system for collecting and reporting CO₂ emissions from road freight transport. A central database is planned – hosted by a neutral, independent body – which calculates, validates and benchmarks the environmental performance of transportation companies based on their actual data. The program is inspired by the already successful SmartWay partnership, which was developed in the United States by the Environment Protection Agency.

The overall objective is to engage all companies across the supply chain in the green procurement of transportation services, driven by better transparency and comparability regarding carbon efficiency.

Carbon Efficiency Index

CO₂ efficiency is already an important key performance indicator for our strategic planning and is taken into account as a decision criterion for investments at Deutsche Post DHL.

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To track our progress towards realizing the 30 % efficiency target by 2020 and our intermediate 10 % efficiency target for our own operations by 2012, we calculate and report the Deutsche Post DHL Carbon Efficiency Index. This index includes ratios to measure the efficiency of our different kinds of businesses. The ratios, such as CO₂ per shipment or per square meter used, are weighted by the absolute emissions of the respective business division. The weighted data is consolidated into the Carbon Efficiency Index, reflecting our status on the CO₂ efficiency targets.

For the 2007 base year, our index was set to 100. In 2010, we increased our CO₂ efficiency at Group level to an index value of 88, compared to 93 in 2009. In our own operations, our CO₂ efficiency at Group level has increased to 69 index points, compared to 76 in 2009 and 92 in 2008. We've therefore already reached the target levels of our intermediate 10 % efficiency target for our own operations in 2009.

Overall, the improvement in carbon efficiency is largely determined by air transports carried out by our own airlines which sum up to over half of our absolute CO₂ emissions in scopes 1 and 2. In 2007, Deutsche Post DHL mainly operated regional networks with own equipment. Starting 2008, we also began to operate intercontinental routes with own airlines and joint venture partners such as Aerologic, using new and efficient aircraft – while at the same time reducing regional networks. These strategic decisions resulted in a much lower CO₂ intensity and therefore a higher CO₂ efficiency.

The efficiency improvements in other categories of our own emissions, namely road transports and real estate also contributed to the improvement in carbon efficiency by introducing more efficient technology, better utilization, employee engagement and more CO₂ efficient energy sources such as renewable electricity.

Unfortunately, these improvements have only been made visible during the past year: While continuously improving our carbon accounting approach, an in-depth analysis of source systems within the Express Aviation business was conducted which revealed two significant errors. These are now corrected based on better transparency than in the previous years.

In the Express Aviation business, efficiency is measured as grammes of CO₂ per revenue tonne kilometer. The errors that were discovered did not relate to the reported CO₂ emissions, but only to the revenue tonne kilometers for the years 2007 to 2009:

- In the earlier years (especially 2007 and 2008) some trade lanes operated by subcontractors were double counted in both scope 1 and scope 3. The actual transport volumes for scope 1 were lower than reported.
- In the later years (2008 and especially 2009) some new trade lanes were not correctly set up in our operational systems, so that the distances between the airports were mistakenly set to zero. The actual transport volumes were higher than reported. The impact of this error was slightly less significant than the double counting error outlined above.

We therefore had to recalculate our Carbon Efficiency Index that now is as shown below. The correction of those two errors changed the Express division's Carbon Efficiency Index value for 2009 to 73 points (previously reported as 95 points). As mentioned in the introduction, our aim is to integrate the full calculation of our carbon emissions and efficiency data into our financial reporting by 2012. By setting up standardized calculation methods, processes and controls, we make sure that future gaps or overlaps can be identified and addressed right in time.



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Carbon Efficiency Index 2008, 2009 and 2010 compared to baseline 2007

CO ₂ emissions (million tonnes of CO ₂)	2007 baseline	2008	2009	2010	2020 target
Index by division					
Mail – Scopes 1 and 2	100	74	75	78	70
Mail – Scope 3	100	93	103	104	70
Global Forwarding Freight – Scopes 1 and 2	100	88	81	71	70
Global Forwarding Freight – Scope 3	100	100	98	94	70
Express – Scopes 1 and 2	100	93 ²⁾	73 ²⁾	62	70
Express – Scope 3	100	88 ²⁾	86 ²⁾	90	70
Supply Chain – Scopes 1 and 2	100	94	93 ²⁾	88	70
Supply Chain – Scope 3	100	106 ²⁾	110 ²⁾	90	70
Index value totals for Deutsche Post DHL					
Scopes 1 and 2	100	92	76 ²⁾	69	70
Scope 3	100	99	98 ²⁾	93	70
Combined total					
Deutsche Post DHL – All scopes	100	97 ²⁾	93 ²⁾	88	70

1 e.g. CO₂ per letter/parcel in the Mail division, CO₂ per tonne-km or TEU-km in the Global Forwarding/Freight division, CO₂ per tonne-km or tonnes of handled shipments in the Express division and CO₂ per revenue for the Supply Chain division. For Express the definition of tonne-km has changed from net to gross weight. For Supply Chain the reference base has changed from m³ warehouse space to revenue (after deflation).


2 Restated

These positive results provide a good basis to further drive the implementation of our GoGreen program. We will continue to identify levers to improve the carbon efficiency for our direct carbon emissions (scopes 1 and 2) but as well extend our focus on the management of our subcontractors and the related scope 3 emissions.

Although we have already reached the target levels for our own operations (scopes 1 and 2), it is still a long journey until 2020, where we will not rest: We will further strive to improve our own CO₂ efficiency for our air and road fleet as well as for our buildings. This will remain our most ambitious effort. But we must also take a step further which is why we are already implementing measures to promote carbon efficiency in the logistics industry with the aim to develop solutions jointly with our customers and competitors to reach our 2020 target also including the emissions from subcontracted transports. The SmartWay-like initiative for Europe will contribute to this by achieving transparency, enabling benchmarking and hence selection of subcontractors according to green criteria. In the meantime we will intensify the integration of environmental criteria into our internal subcontractor selection.

In addition to this, we expect our various tests of alternative vehicles (e.g. electric, hybrid) to result in applicable series productions of manufacturers which enable our industry to source more carbon efficient vehicles for the future.

Through our *GOGREEN* products and services, our customers will remain empowered to choose for greener logistics in order to jointly reduce carbon per transported good.

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Improving our carbon efficiency

Operating our networks, our own and subcontracted fleets, and various types of buildings has a number of environmental impacts, especially the emission of CO₂. That is why Deutsche Post DHL is committed to improving its carbon efficiency.

Through our GoGreen program, we identified three main efficiency drivers:

- network and capacity optimization
- fleet modernization (including driver behavior)
- energy efficiency improvement in buildings.

Networks

Our networks are one important lever for our ongoing efficiency improvement. Measures such as smart route planning, capacity optimization and intermodal transport concepts are the main levers for reducing fuel and thus carbon emissions. To optimize efficiency across all modes (road, air, sea and rail), we collaborate with our transportation subcontractors.

Fleet

Running a fleet of vehicles and aircraft is at the heart of the logistics business and offers potential to reduce carbon emissions. We constantly modernize our air fleet and invest in our road fleet by replacing older vehicle generations, implementing alternative technologies and fuels and increasing driver awareness.

Buildings

With simple ideas and innovative technologies we improve the efficiency of our own and our customers' buildings. We count on awareness raising and green technologies, and are geared to environmental standards when building new sites. In our existing buildings we improve energy efficiency through intelligent lighting, heating and cooling solutions and increase our share in energy from renewable sources.

Networks

Our networks are one important lever for our ongoing efficiency improvement. Next to network optimization, measures such as smart route planning, capacity optimization and intermodal transport concepts are the main levers to reduce fuel and thus carbon emissions.

Network optimization

With comprehensive programs and innovative technologies, we further improve our networks' efficiency step by step.

DHL Express Pick-up and Delivery (PuD) Optimization Program

As part of its Network Operations Efficiency Platform, DHL Express implemented the PuD Optimization Program to create efficient routes and implement standardized methods within the network for DHL customers' shipments. Route planning systems are being used to optimize route sequences, considering elements such as distance traveled and service commitments. Traffic data, unique conditions such as detours and unplanned bookings are taken into consideration to provide couriers with the most efficient and effective way to pick up and deliver customer shipments. During 2011, we plan to continue to deploy PuD methodologies for Tier II and III countries.

"It is essential that we combine capacity utilization of both the courier and line haul fleets through the right vehicle sizing, better loading and route planning."

Paulo de Gouveia, Program Manager, Global Network Operations Programs, DHL Express

Network linehaul restructure

To increase the utilization of domestic road freight transport, DHL UK restructured its major transport routes in 2010. Rather than simply linking one network point directly with another, three network points were linked directly with another one, which significantly improved the load factors of trucks and reduced the number of vehicles required. In this way, DHL UK generates savings of about 500 tonnes of CO₂ per year.

Further roll-out of intelligent pick-up and delivery vehicles in Germany

In saving about 15 % of distances driven during Express pick-up and delivery in Berlin, Germany, the SmartTruck proved to be very successful. The intelligent vehicles combine dynamic route planning and innovative communications and information technologies to reduce time and distances driven, resulting in less fuel used and fewer carbon emissions.

Since the end of 2010 SmartTruck deployment has been extended to another German city, Bonn, and its surrounding area, where the focus is on route planning in a complex delivery region. The challenges include numerous one-way streets and stops, as well as large rural areas with few customers and long distances between stops.

Capacity optimization

By increasing capacity utilization and reducing empty runs, we are able to reduce our carbon emissions per transport unit.

Initiatives on the topic of capacity optimization for road freight

In 2010, DHL Global Forwarding introduced a new Less than Container Load (LCL) “Direct Box” service from Hong Kong to Koper, Slovenia. Before, the shipments had to go via Hamburg and were then trucked on to their final destination. With the new direct service, shipments are being consolidated with other freight into one container and go directly to the port of Koper. This cuts transit time through shorter routing, reduces cargo handling needs and increases the CO₂ efficiency per shipment by over 40 %.

Direct Box is a direct LCL connection between two port pairs. At the port of loading, there is enough volume available to consolidate the cargo into a full container. Trans-shipment via a Multi-National Gateway is no longer necessary.

Less than Container Load (LCL) refers to smaller amounts of freight cargo that are insufficient to fill a Full Container Load (FCL) on their own. The service offers greater flexibility in the management of supply chains by being able to ship smaller quantities on a timelier basis.

On the issue of improving cross-border capacity, the logistics industry faces the barrier of restrictive cabotage regulations within the European Union (EU). Deutsche Post DHL has entered into dialog with EU panels to support the liberalization of road cabotage.

Intermodal transport

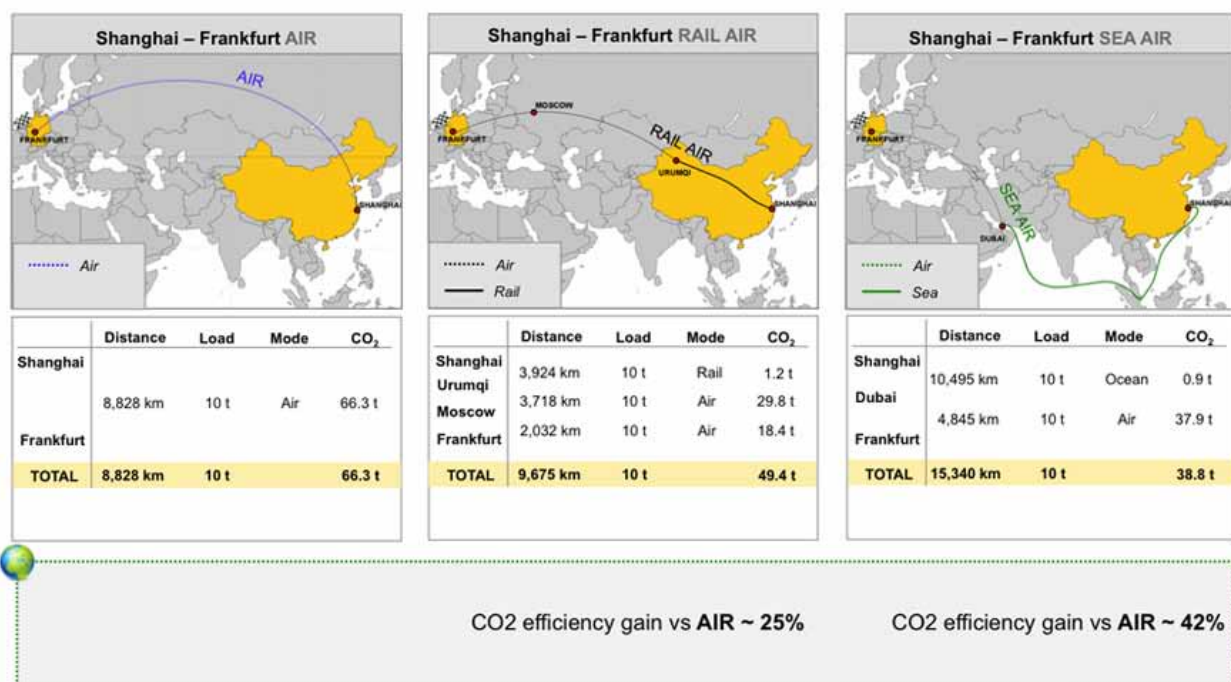
Multi-modal is one option for our customers to support them in the greening of supply chains. By combining different transport modes, we can reduce our customers’ transport costs by 20–50 % and carbon emissions by up to 40 %.

“As the world’s leading logistics company, we believe multi-modal solutions will shape the future of logistics as companies look for ways to reduce their carbon footprint, reduce transport costs, and especially in Asia, deal with capacity constraints.”

Roger Crook, CEO, DHL Global Forwarding and Freight

In the middle of 2010, DHL Global Forwarding China launched a new suite of multi-modal solutions and plans to extend the service to Japan, Korea and South East Asia with hubs in Singapore and Malaysia. The multi-modal solutions include four core products:

- **Rail Air** combines domestic rail with the Air Freight (AFR) product. Transport from origin cities in China to Urumqi by rail, followed by an air lift to Europe, takes only nine days. It is such a reliable service that even high-tech customers are considering using it.
- **SEAIR** combines the Ocean Freight (OFR) product and AFR, and has been strategically extended to serve routes particularly from China and Hong Kong to Europe via Dubai. The first leg of transport is by sea. Once in Dubai, the containers connect to AFR with a reliable transit time of 18–22 days, door-to-door.
- **International Rail Services** were trialled in 2010 with rail connectivity from China to Russia, Kazakhstan and the Commonwealth of Independent States (CIS). The rail services were fully launched in February 2011. Since the end of March 2011, a direct service from China into Europe is operational, in close collaboration with DHL Freight Euroconnect and DHL Global Forwarding Central Eastern Europe, for customs brokerage and onward forwarding or direct distribution at the destination hub.
- **Cross-Border Trucking** currently links China to Vietnam and will soon reach Thailand, Malaysia and Singapore; this includes back-haul traffic. It offers a reliable Asian Road Network (ARN) with a time-definite guaranteed schedule and, most importantly, with high security standards.



Subcontractor management

To operate our global express and logistics network, we complement our own aircraft and vehicles with the fleet from our transport suppliers. Subcontracted transportation is responsible for about 80 % of the Group's carbon footprint. As we include the efficiency of our subcontractors in our carbon efficiency target for 2020, managing their carbon performance is crucial to GoGreen.

Road

In the area of road freight, transparency and subcontractor engagement are particular challenges due to the high number of suppliers and limited industry standards. In 2010, we took an important step to increase the transparency of road subcontractors and manage them accordingly.

Jointly with leading companies from different industries, we started to set up a European working group to enable transparency on carbon emissions from road freight transport in Europe. Deutsche Post DHL is working with Heineken, IKEA, Kraft Foods, TNT, UPS and other multinational companies to launch a standardized system for collecting and reporting CO₂ emissions from road freight transport. The program is inspired by the already successful SmartWay partnership, which was developed in the United States by the Environment Protection Agency.

Air

In addition to our own aircraft, we organize transport of our customers' goods with our partner airlines, as we depend on their capacities. DHL Global Forwarding's Air Freight Division maintains a well-established procurement and performance process with all major airlines. To shape direction, DHL Global Forwarding has set up an environmental carrier management as an integral part of its partner selection process. Environmental performance criteria are part of a carrier's balanced scorecard, next to network performance data. Fleet profiles of airlines in combination with DHL Global Forwarding freight volumes indicate the impact of decisions on our CO₂ efficiency and allow us to manage this proactively.

Ocean

Ocean-going vessels are more eco-friendly than aircraft or road vehicles. Vessel design, cruise speed, fuel type and capacity are among the decisive factors for determining the carbon footprint of ocean freight.

As a non-vessel operating carrier, these factors are not under our direct control. Our main lever to improve the carbon efficiency of our ocean carriage suppliers is to gain transparency on the fleet compositions and to drive industry standards. Therefore, we participate in industry platforms and maintain a continuous dialog with our suppliers.

DHL Global Forwarding Ocean Freight has implemented a carrier scorecard, which helps to regularly monitor the efficiency improvement of our strategic and preferred carriers. The carrier's emission factors are weighted by trade lane, forwarding volume and load factors, and transferred into a virtual cost of carbon. This is applied as one of the KPIs in supplier management to strengthen the carbon efficiency of our strategic partnerships.

The Clean Cargo Working Group of BSR plays an important role in the transparency and standards in ocean freight. We are a member of this working group along with more than 25 carriers and shippers of cargo. The joint target is to develop common methodologies for understanding transportation effects in global supply chains, with a focus on ocean freight. The interaction with other stakeholders in the BSR and members of the Clean Cargo Working Group also helps us to further develop our carbon calculation models with regard to third-party emissions in ocean freight (“scope 3”).

Rail

As one of the most efficient transport modes, DHL considers rail as a key element of its intermodal solutions, and an initiative with DHL Freight in Sweden proved to be very successful in improving carbon efficiency. Using its own Blocktrain concept, the transportation of very high-volume cargo has been shifted from road to intermodal high-frequency rail from Malmö (Sweden), via Denmark, to Duisburg (Germany).

The initiative sought to reduce costs and carbon emissions as well as improve transport performance. The Intermodal Blocktrain started in January 2010 and runs six round trips per week, with daily departures from Monday to Saturday. It has a capacity of 1,700 tonnes gross weight per direction and train, resulting in the potential for carbon reductions of up to 20 % for line haul.

Fleet

Running a fleet of road vehicles and aircraft is at the heart of the logistics business and offers us good potential to reduce carbon emissions. We constantly modernize our air fleet, collaborate with subcontractors to optimize efficiency across all modes (road, air, sea and rail) and invest in our road fleet by replacing older vehicle generations, implementing alternative technologies and fuels and increasing driver awareness.

Air transport

Transporting time-sensitive documents and goods reliably from door to door via fixed routes and with standardized processes is part of our business. To operate our worldwide DHL Express network, which spans more than 220 countries and territories, we use a fleet of our own and dedicated aircraft. This fleet generates the most significant share of the CO₂ emissions under our direct control, in light of the continued dependency of the aviation sector on fossil fuels. To reduce the carbon footprint of our aircraft we continue to invest in more efficient new-generation aircraft when replacing parts of the fleet. Newer aircraft are also quieter and emit lower levels of other pollutants such as nitrous oxides (NO_x).

As at 31st December 2010, we operated 147 own and dedicated jet aircraft. This represents a moderate increase in capacity against 2009 (136 jet aircraft) owing to the recovery of business in 2010. Overall, we continued to modernize our air fleet, by retiring older aircraft types such as the DC-8 and Boeing 727 in favor of more modern jets, such as the Boeing 757. Furthermore, we added four fuel-efficient Boeing 777 Freighters to our intercontinental fleet.

Air fleet	2008 ¹⁾	2009 ²⁾	2010
Total jet aircraft	227	136	147
ICAO NO _x emission standards ²⁾			
CAEP/2	149	103	119
CAEP/4	93	68	85
CAEP/6	38	38	49
ICAO noise standards ³⁾			
Chapter 3	224	133	144
Chapter 4	61	61	69
Equipped with hushkits	82	24	20

¹ This data has been reviewed by PwC for the first time in 2010. 2008 and 2009 data were not subject to the review. 2008 and 2009 data restated.

² ICAO NO_x emission standards for jet aircraft limit the allowed amount of nitrogen oxide defined by the International Civil Aviation Organization and can be found in ICAO Annex 16 – Volume 2. CAEP/2 requirements are less demanding than CAEP/4 and CAEP/6. The CAEP/6 emission limit is mandatory only for engines manufactured in 2008 and beyond.

³ ICAO noise standards are requirements for jet aircraft defined by the International Civil Aviation Organization and can be found in ICAO Annex 16 – Volume 1. Chapter 3 requirements are less demanding than Chapter 4 requirements. The latter are only applicable to aircraft manufactured after 1 January 2006.

DHL Express further improves air efficiency

With refueling and the introduction of highly efficient aircraft, DHL Express reduces carbon emissions and invests in a modern and efficient network. Old aircraft such as the McDonnell Douglas DC-9 have already been retired and others such as the Boeing 727 are gradually retired from our fleet.

We are introducing new-generation aircraft, especially for long distances. A Boeing 777 freighter is operated for the Europe to Asia routings and winglet-equipped Boeing 767 freighters cover the Europe to US routings.

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"We are definitely opting for aircraft with more fuel-efficient engines and larger aircraft types where the fuel unit per transported kilo is lower than smaller aircraft types."

Robert Hayers, Vice President Fleet Planning, DHL Express

DHL Express and airline partner Tasman Cargo Airlines (TCA) introduced a Boeing 757 offering Trans-Tasman customers increased capacity and "greener" features. Travelling between Sydney and Auckland five times per week, the DHL/TCA Boeing 757 is about 25 % more carbon efficient and significantly quieter than the Boeing 727.

"We are the only express operator with a dedicated aircraft operating across the Tasman as the Trans-Tasman trade lane continues to grow. In 2009 alone, we experienced significant growth in Trans-Tasman shipments so increasing our capacity to offer faster services, and more often, to our customers is a key focus for us. We are delighted to partner with TCA to bring the Boeing 757 into service."

Gary Edstein, Senior Vice President, Oceania, DHL Express

As well as refueling, DHL Express implements comprehensive operational measures to improve efficiency in air transport. Training and technical measures allow the shutting down of engines and Auxiliary Power Units as soon as possible and flying aircraft at optimum speed. Efficient arrival and departure routings are also implemented.

Road transport

Our ground fleet has a significant effect on the CO₂ footprint under our direct control. Improving the efficiency of the vehicles we use allows us to offer our customers reliable logistics services as well as to minimize the environmental impact of our business. In 2010, our alternative fleet strategy was recognized with the Green Fleet Award, presented by FleetCompany, a subsidiary of the audit company TÜV South.


The three pillars of our vehicle efficiency improvement initiative are:

- ongoing replacement of older vehicles with newer, more fuel-efficient models
- testing and introducing alternative vehicle technologies and renewable fuels
- raising the level of environmental awareness and behavior of our drivers.

Replacement of vehicles

We replace vehicles if newer technologies and more fuel-efficient models that reduce fuel consumption and CO₂ emissions are available and affordable. They are replaced on a Total Cost of Ownership basis, including fuel costs. EURO 4 has become the principal emission standard in our European road fleet. In 2010, over 60 % of our own vehicles in Europe met this or even higher emission standards, including EEV (Environmentally Enhanced Vehicles). We also increased the number of EURO 5 vehicles from 1,426 in 2009 to 4,510 in 2010.

The EURO emission standards are an indicator of our road fleet's technical performance with regard to carbon efficiency and other exhaust emissions.

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Road fleet Europe ¹ EURO emission standards	2009	2010
EURO 1	341	1,107
EURO 2	6,237	6,049
EURO 3	21,464	17,840
EURO 4	35,257	38,338
EURO 5	1,426	4,510
EEV 1	163	180

¹ Figures do not include vehicles in some countries for which emission classes are not yet reported (2009: 11,239 vehicles; 2010: 3,478 vehicles). This aspect has been considered in the interpretation of the road fleet data for Europe.

² EEV – "Environmentally Enhanced Vehicle", currently the most ambitious European emission standard

Replacement with fuel-efficient Volvo trucks

In 2010, Deutsche Post DHL entered into an agreement with Volvo Trucks for the delivery of 1,800 new fuel-efficient trucks to be operated in the UK, Finland and Sweden. Within the next two years they will be rolled out within EXPRESS, FREIGHT and SUPPLY CHAIN operations. The trucks are compliant with the EURO 5 standard and will gradually be replacing the older vehicles, which meet the EURO 3 standard.

"We are proud to be a preferred supplier for Deutsche Post DHL. We share the same focus on sustainable growth. We aim to increase our cooperation, especially regarding environmental issues, to find common ways to tackle the challenges that the transport industry is facing."

Staffan Jufors, President and CEO, Volvo Trucks

Alternative technologies and fuels

We test and deploy alternative vehicle technologies and fuels to reduce our fleet's emissions of CO₂ and local air pollutants. In 2010, we had more than 1,100 vehicles with alternative drivetrains or fuels in operation. In addition, we also apply efficiency-enhancing modifications to regular vehicles, such as aerodynamic or electronic adaptations. In Germany, for example, we installed aerodynamic front spoilers on nearly 1,300 medium-sized trucks in 2010 and in the UK, we operate more than 630 'teardrop' trailers with an aerodynamically optimized shape.

Overall, we had more than 3,000 vehicles and trailers with alternative drivetrains and fuel or electronic or aerodynamic modifications in operation as at 31st December 2010.



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Non-conventional fuel road vehicles	2008	2009 ¹ (new)	2010
Electric/Fuel cell	4	12	22
Hybrid diesel/Petrol	4	25	46
NExBTL second-generation biofuel ¹⁾	-	10	10
CNG (compressed natural gas)/Biogas	305	395	739
LPG (liquefied petroleum gas)	231	173	30
Ethanol	-	342	274
Total	544	957	1,121

¹ In accordance with our revised policies on the use of biofuels, we have removed first-generation biofuels such as biodiesel and rapeseed oil from these statistics.

A focus of Deutsche Post DHL's alternative fleet strategy in 2010 was a comprehensive kick-off for electric mobility: The Group invested in piloting more than 80 electric vehicles to be rolled out in 2010 and 2011 in Germany, the United States and Finland, in addition to the 11 electric trucks already running in the UK. The strategic focus is the deployment of electric vehicles in pick-up and delivery operations with short distances and a high start-and-stop traffic pattern.

E-Mobility in parcel delivery

DHL Parcel is the first partner to test the Iveco Electric Daily. Ten of the 3.5-tonne e-vehicles are deployed in parcel delivery in German cities, including Berlin, Bonn and Hamburg.

"By deploying Europe's first 3.5-tonne transporter with an electric drive, we are piloting a technology of the future in our daily business. We hope to be able to provide key insights for the further development of alternative vehicles and become the pioneers in the area of climate protection."

Thomas Zuber, Head of Mail and DHL Parcel Delivery, Deutsche Post DHL

E-Mobility in mail delivery

With Daimler, we are testing the Mercedes-Benz Vito E-CELL in MAIL operations in Germany. Fifteen 2.8-tonne vehicles will be part of mail delivery operations for four years in Berlin and Stuttgart. Jointly with the vehicle manufacturer, Deutsche Post will measure consumption and range to promote the further development of electric vehicles in light commercial vehicles.

"We test the reliability of the Vito E-CELL vans in our mail and parcel delivery service under realistic everyday conditions, thereby helping to ensure that the vehicles will reach market maturity in the medium term and can be manufactured economically."

Joachim Wessels, Member of Mail Divisional Board, Deutsche Post DHL

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Deutsche Post DHL further extended its activities in hybrid technology and successfully finished an exclusive hybrid vehicle pilot with Daimler in 2010. The testing of five first-generation Mercedes-Benz Atego Blue Tec Hybrid 12-tonne trucks, driven by MAIL over 20 months, showed the benefits of running the new vehicles in everyday operations. Compared to conventional trucks of the same type, the hybrid vehicles realized fuel savings of up to 5 %. This is already a good result, but shows a lot of potential for future development. The joint pilot helped both partners to further improve electronics and driver behavior. Better technical usability and well-trained staff are important to fully leverage the expected savings of between 10 and 15 %.

These results have been considered when developing the second-generation Mercedes-Benz Atego, which will be implemented mid 2011. Deutsche Post DHL will extend the Daimler partnership and test 10 new-generation vehicles over 36 months for MAIL and subcontractors of FREIGHT.

Our collaboration with Volvo has led to another successful introduction of hybrid technology:

DHL Supply Chain trials world's first 18-tonne hybrid distribution truck

In partnership with Volvo Trucks, DHL Supply Chain started testing a first-of-its-kind 18-tonne hybrid distribution truck. Powered by an electric motor and a diesel engine, which can be used separately or together, the hybrid vehicle will allow for reduced fuel consumption, lower emissions and lower noise levels. The truck also benefits from a 'Teardrop' body fitted by manufacturer DON-BUR. Overall, potential savings of up to 15 % in fuel and carbon emissions are expected during the two-year trial.

"This hybrid solution is a world's first for 18-tonne distribution vehicles. Energy-efficient vehicles also have the benefit of reducing costs and at a time when businesses are keen to drive out inefficiencies, this is an important cost saver to recognize."

Ian MacAulay, Innovation Manager, UK Fleet Engineering Services, DHL Supply Chain



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As well as introducing alternative drives, we are testing and implementing aerodynamically optimized vehicles within our fleet to reduce fuel use and thus carbon emissions:

Roll-out of Teardrop trailer

One example of an aerodynamically optimized vehicle is the Teardrop trailer, developed with the manufacturer DON-BUR and introduced within our DHL Supply Chain Network. With over 630 Teardrop trailers in the UK fleet by the end of 2010, each of which is achieving carbon savings of between 6 % and 11 % (depending on the type of operations), we are saving, on average, 1,900 liters of diesel a year for every 80,000 km driven. Since 2010, our fleet in mainland Europe has included the first trial Teardrop trailer operated outside the UK.

Aerodynamics pilot with subcontractors

Another example is a pilot project of DHL Freight and DHL Solutions & Innovations where we are testing aerodynamic devices on trucks to assess possible fuel savings. The project is run in cooperation with truck equipment manufacturers Scania and Krone, the Polish carrier Batim and the IT provider EXA. It aims to see what types of aerodynamic set-ups lead to maximum fuel savings. First simulation results show that the combination of modifications such as on-side air deflectors or the installation of battery covers to reduce the drag can save between 2 and 5% of fuel. The pilot results will help to identify possible partners for carrier partnerships to offer low-carbon services to customers.

Alongside alternative technologies and aerodynamic and electronic modifications, alternative fuels are an important efficiency lever for logistics. As fossil fuels are a scarce resource and alternative technologies are not yet the solution for all distances (e.g. limited range of electric vehicles or dependency on fuels of hybrid vehicles), we support the testing and use of alternative fuels. But at this stage, several factors hinder a sustainable production of biofuels. To address these issues, Deutsche Post DHL introduced the Group-wide binding Policy on the Usage of Liquid Biofuels in 2010, including the following key commitments:

- The support and usage of biofuels is only realistic if international regulations are set in place that ensure transparency throughout the entire production chain, including a consistent life-cycle analysis.
- Deutsche Post DHL calls for these international regulations and legislation to ensure such a sustainable and transparent production of biofuels. Until these requirements have been met, Deutsche Post DHL will not use liquid biofuels other than in tests for research and development programs that protect the environment and further develop our sustainable logistics services.
- Therefore we only conduct pilot projects to test the operational usability of future first-generation, plus second- and third-generation liquid biofuels. A prerequisite for supporting pilot projects is full compliance with our strict sustainability criteria.
- In particular, Deutsche Post DHL does not support first-generation liquid biofuels, as no advances are expected in the future. The additional need for vehicle modification, an increasing number of maintenance needs, and the food versus fuel challenge are the main reasons for not supporting first-generation biofuels.



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Driver awareness

To raise the level of environmental awareness and improve the driving techniques of our employees, we constantly run eco-driver training and use awareness campaigns such as the “Global Road Safety” initiative. This encourages employees to practice fuel-efficient driving.

One example is the “Save Fuel” campaign, started in Germany in 2008: Around 4.8 million liters of diesel were saved by the end of 2010, compared to 2008. This was all made possible because the drivers of Deutsche Post’s 46,000 vehicles in Germany adopted fuel-efficient driving practices and optimized routes, supported by additional technical measures.

“It’s a real success story. Within the project team we discussed at length how we could best reward our drivers for this outstanding achievement. Of course, we wanted the prize to be related to fuel economy in some way.”

Gerhard Stüber, Head of Transport Resources Control for MAIL/PARCEL, Deutsche Post DHL

In spring 2010, the best drivers received a mobile satellite navigation system for use in their own private vehicle. All employees in the delivery centers, bases and driver groups who really stood out when it came to developing suggestions and initiatives to promote a greener way of driving were rewarded with a satellite navigation system.

Driving behavior can be supported by technical devices. In 2010, Deutsche Post carried out a trial with 34 trucks and mail delivery vehicles using “Diamond Driver” boxes. They track driving behavior and convert smooth driving, low idling or gentle braking into a bonus point system. Participating drivers received real-time feedback via an online application and are given advice on how to improve their driving habits, which are already bringing fuel savings of up to 10 %.



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Buildings

With simple ideas and innovative technologies we improve our own and our customers' building efficiency. We use green technologies and are geared to environmental standards when building new sites. In our existing buildings we improve energy efficiency through intelligent lighting, heating and cooling solutions and increase our share of energy from renewable sources.

Green buildings

1. New state-of-the-art facility for DHL Express

Since September 2010, Deutsche Post DHL's Real Estate department has leased a modern and efficient facility for DHL Express in Kielce, Poland. The 1,820 m² warehouse, with an additional 584 m² of office space, promotes green features to improve the buildings' efficiency. For heating, calorific value technology with low inlet temperature has been implemented and the buildings' insulation reduces heat loss. The ventilation is powered by heat recovery. Another lever to reduce energy consumption at the facility is the efficient lighting: The sections of the facility have separate lighting and movement detectors are installed in corridors and rest rooms. These are supported by windows and skylights for natural light across 20 % of the roof and exterior walls. Additionally, rainwater is stored and used for WC flushing.

2. Certified DHL Global Forwarding logistics center in Bielefeld, Germany

DHL Global Forwarding operates a green warehouse in Bielefeld, Germany. The warehouse, built in 2009, benefits from its excellent transport infrastructure close to the highway and relevant customer sites. The building, with its 7,300 m² warehouse and 700 m² office space, received a silver rating from the **German Sustainable Building Council (DGNB)** (http://www.dgnb.de/_en/index.php) for its environmental architecture. It's equipped with a solar power system, special insulation and a heat recovery plant.

Green technologies

Within our buildings, lighting technologies in particular offer a great potential to improve carbon efficiency. Across various business divisions, we implemented lighting projects and pilots:

- DHL Global Forwarding has launched a coordinated Lighting Retrofit Program in the Americas region. The program focuses on energy-efficient lighting set-ups and was rolled out in the United States before expanding to Canada and Mexico.
- DHL Supply Chain has supported low-carbon lighting programs in more than 120 sites worldwide.
- Deutsche Post replaced T8 light tubes with up-to-date lighting systems in the Greven and Straubing (Germany) Mail Centers.
 - Straubing: The production hall at Straubing Mail Center has been converted from T8 to T5 light tubes. The new lighting is equipped with lighting control, which uses active sensors to continuously vary a preset brightness level. Initial measurements showed power savings of 30 %.
 - Greven: The production hall at Greven Mail Center has been converted from T8 to LED illuminants (fluorescent tubes). LED has a far longer lifetime and reduces maintenance while offering improved brightness. Initial measurements showed power savings of 50–60 %.

Green power

Where available and economically reasonable, we use electricity from verified renewable sources to reduce our facilities' CO₂ footprint. As of January 2009, we have a framework contract that assures the supply of 100 % green power for buildings under our direct control in Germany. Overall, 85 % of our energy consumption in Germany comes from renewable sources, saving around 250,000 tonnes of CO₂ emissions each year, compared to the standard electricity mix.

Group-wide, 37 % of our total electricity consumption draws on renewable energy sources. This is a slight increase from 2009 (32 %). In Austria, Belgium, Denmark, Luxembourg and Sweden, the share of electricity from renewable sources is at least 70 % of the respective power consumption. Beyond that, we also use green power for our buildings in Australia, Ireland, Finland, France, the Netherlands, Norway, Switzerland and the United Kingdom.

"With our customers we see that GoGreen gets more and more attention. In that perspective we are evaluating what the value is of being sure and guaranteed that our energy is green."

Philippe Beentjes, CFO DHL Freight Benelux

Managing non-carbon aspects

Due to the nature of our core businesses – mail and logistics – our environmental management efforts focus on our industry’s most pressing issue: Carbon emissions resulting from the combustion of fossil fuels to operate our fleet of aircraft and road vehicles, and from the generation of heat, cooling and electricity used in our facilities. However, we recognize that our operations have other impacts on the environment. These are also covered by our GoGreen program, which aims to minimize the impact of our business on the environment.

To better manage our mostly local, non-carbon environmental impacts, we have developed a methodology to implement an environmental management systems (EMS) and respective corporate policies, programs and sustainable procurement processes:

1) Environmental management systems:

With our methodology for the implementation of environmental management systems, we can manage environmental impacts and assure ISO 14001 compliance at the local and country level. One important contribution, to minimize our impact on the environment, comes from sustainable procurement.

2) Non-carbon environmental impacts:

This part shows how we approach other significant environmental aspects, which are not directly linked to our carbon efficiency target.



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Environmental management systems

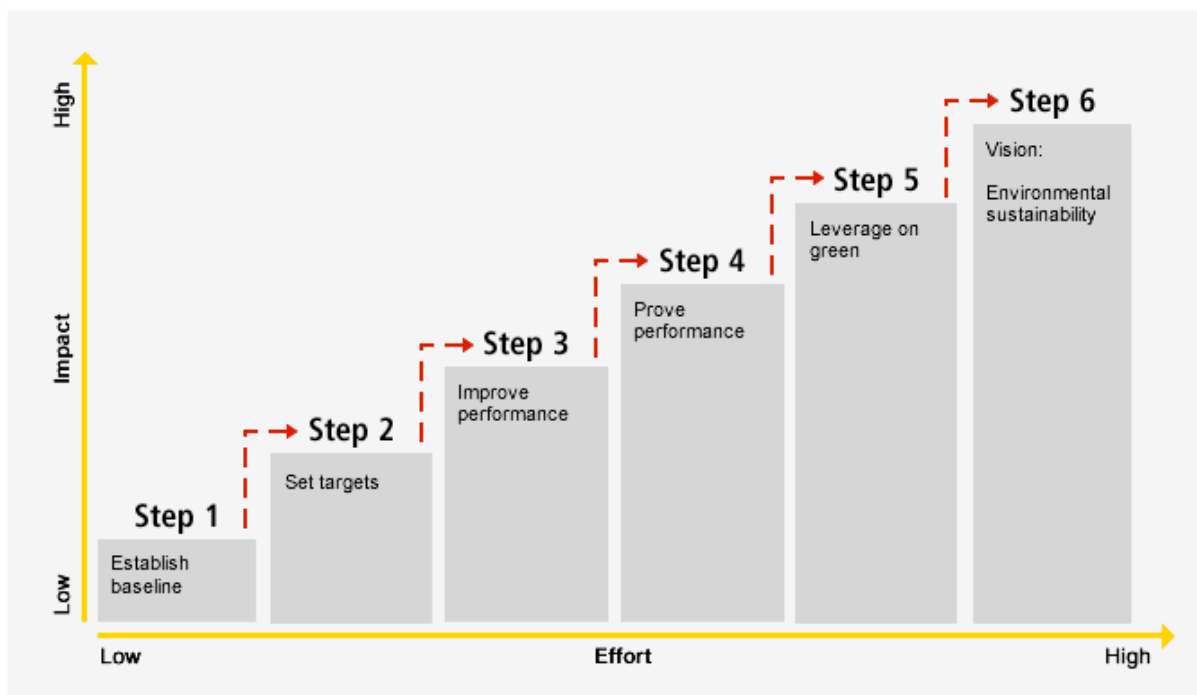
Our Group has developed its own methodology to support the standardized implementation of environmental management systems worldwide: The 6-Step Approach. It is an instrument to implement our GoGreen program and introduce the ISO 14001 methodology at the site or country level. Its focus is on minimizing our environmental impacts and optimizing our use of resources, notably fossil fuels but also other aspects such as waste, water and noise. It ensures that regional and local environmental management is conducted in a consistent way across the globe, in compliance with applicable regulations. Thus we can embed the principles of environmental efficiency and sustainability into our daily operations and prepare the way for environmental management systems.

The use of environmental management systems throughout the Group is continuously evolving: Some of our divisions have started to integrate their environment, quality, health and safety, and business continuity standards into one single framework or management system.

The Deutsche Post DHL 6-Step Approach

The 6-Step Approach is a methodology for supporting the standardized implementation of environmental management systems throughout the Group, with a focus on tackling the most important environmental risks and issues. By following the 6-Step methodology, sites and country organizations are able to take logical steps towards implementing a formal environmental management system (EMS) based on the ISO 14001 standard. Due to its flexibility, the methodology allows countries to work on different levels according to local conditions, leaving room for tailored country-level initiatives.

How it works



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Step 1 sets the foundation for an EMS, beginning with the adoption of an environmental policy, the appointment of an environmental contact person and the establishment of an environmental baseline against which targets can be set.

Step 2 sets targets to minimize environmental impacts and tracks and reports progress against these targets.

Step 3 builds on the previous steps by striving to improve performance and broadening the scope of the environmental management program.

Step 4 includes the EMS or sites attaining ISO 14001 compliant status or ISO 14001 certification as a key milestone. Customers should be offered tailored carbon footprint estimates or reports. Environmental communication is now an integral part of the company's communication plan.

Step 5 states that with a complete and certified EMS in place, the focus shifts to providing innovative green customer solutions, including GOGREEN products and services (where applicable). Engagement with local stakeholders on environment-related topics is intensified.

Step 6 describes our vision of having a sustainable Deutsche Post DHL network in place, which takes social, economic and environmental aspects into account when making business decisions.

ISO 14001 certification

One important milestone in our 6-Step Approach is for our business units to implement environmental management systems at their sites in line with the ISO 14001 standard. In 2010, 49 % of our global workforce was working in sites certified to this standard (2009: 49 %):

- MAIL succeeded in keeping a stable level of ISO 14001 certification with 88 % of its employees working in certified sites (2009: 89 %). The certificate covers more than 156,000 employees and is valid for 4,318 sites, including all business operations in the domestic mail and parcel networks in Germany.
- Within DHL Express more than 26,000 employees worked at 562 ISO 14001 certified sites, mostly in Europe. The ISO certification rate decreased to 28 % (2009: 37 %), following the sale of large companies providing domestic delivery services, primarily in France and the United Kingdom.
- DHL Global Forwarding Freight reached an ISO 14001 certification rate of 72 % (2009: 71 %) with nearly 32,000 employees working at 613 certified sites in Europe, the Middle East, Africa, Asia Pacific and Latin America.
- DHL Supply Chain began placing more emphasis on ISO 14001 certification and reached a level of 12 % of its workforce working in 273 certified sites (2009: 5 %).

We will continue to implement our 6-Step Approach methodology and other environmental management systems to improve our environmental performance at the site or country level.

Sainsbury's 14001 certification

DHL Stoke Sainsbury's Depot had its annual audit conducted by the BSI, to review its compliance with ISO 14001 Environmental Management standards, and achieved an outstanding improvement with its 2010 performance. The commitment to keeping up the EMS standards is highlighted through specific ongoing projects that have already brought significant results: This includes a 46 % reduction in general waste in 2010 compared to 2009 and a 12 % reduction in electricity consumption.



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Sustainable procurement and Supplier Code of Conduct

Deutsche Post DHL is leveraging its efforts in Corporate Procurement to establish the efficient use of natural resources and carbon-relevant products and services across the Group. Setting the stage for sustainable procurement, our **Supplier Code of Conduct** (http://www.dp-dhl.com/en/about_us/corporate_divisions/corporate_procurement/the_supplier_code.html), an essential guideline for our business dealings, includes environmental values. The Supplier Code of Conduct is a sustainable framework to encourage our suppliers to meet ethical and environmental standards.

The environment paragraph of the Supplier Code of Conduct asks suppliers to comply with applicable environmental laws, regulations and standards, as well as to implement an effective system to identify and eliminate potential hazards to the environment. Suppliers have to provide relevant efficiency data to us and take environmental protection measures into account in their own operations.

We expect our suppliers to adhere to those principles. The Supplier Code of Conduct was implemented in 2007 and has been mandatory for all new contracts since 2008. As most of our supplier contracts run for one year, the majority are operating under this framework today.

One important measure of Corporate Procurement is to anchor environmental key performance indicators within the buying process. In this context, energy and carbon efficiency have been included in the “Total Cost of Ownership” calculation. This is intended to help us gauge the maturity of our procurement markets in terms of environmental friendliness so that, if necessary, we can switch to more environmentally friendly procurement sources.

With a dedicated green procurement team, people in charge of different product groups and regions, and committed employees across the globe, Procurement helps to anchor GoGreen in everyday business decisions:

Being a light monitor and setting up green initiatives


“In our office, I am the ‘light monitor’, the person who makes sure no energy is wasted because of unnecessary lighting. I also analyzed our energy consumption, which helps us to save energy. I think that setting up green projects is most important and I am in charge of all the local green projects. For example, I supported DHL Express by leading an initiative to collect used Express flyers for recycling. The process of collecting and recycling is simple and easy: The couriers collect the used flyers at the customers’ premises and move them into a storage center at DHL’s main offices in Ecuador. The local supplier of flyers then transports them to the plant and carries out the recycling process. It’s simple and it works!”

Gorki Molina, Procurement Americas, Deutsche Post DHL

Energy-efficient lighting in Asia

“I think that energy-efficient lighting is very important, not only at home, but also at our DHL warehouses and offices. That’s why I was happy to be involved in a large energy-efficient lighting initiative for DHL Supply Chain, DHL Global Forwarding and DHL Express with the aim of introducing energy-efficient lighting into DHL warehouses and offices. I was engaged in the whole project, from searching for suppliers to supporting the implementation. I think it is great that by changing to T5 lamps, we not only save CO₂ emissions, but also get a brighter light for the employees. So far, 20 warehouses in Singapore have changed to energy-efficient lights.”

Yeo Yew Keng, Procurement Asia Pacific, Deutsche Post DHL

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Managed print services

"I think it is great to combine cost savings with reducing CO₂ emissions at Deutsche Post DHL. We achieved this double effect by purchasing Managed Print Services instead of just buying printers, scanners and faxes. I started a Managed Print Services Program in Europe to give all Business Partners the opportunity to switch from the existing printing environment – which consists of many different suppliers and devices – to a fully managed, transparent, cost-effective and more environmentally friendly solution. The results have been great. We expect considerable cost savings and a reduced energy consumption of 30–60 %."

Thomas Bertalan, Procurement Europe, Deutsche Post DHL

Procurement of carbon credits


"It is a good feeling to know that you can do something for the environment when you are at work, and the procurement of carbon credits is particularly exciting. It is not just a matter of price on this market. It is important to know which environmental project is behind the certificate and whether the quality is sufficient. Our customers have been able to send their parcels and letters carbon-neutrally around the world since 2008, and we have carbon credits to compensate for the emissions. The carbon-neutral *GOGREEN* service got started in 2006 by purchasing carbon credits to offset about 1,000 tonnes of carbon. In 2010, carbon credits for more than 80,000 tonnes were needed. To cover the need for high-level UN-certified carbon credits, we have looked at the market around the world and developed a procurement strategy."

Julia Zeisner-Mahal, Denis Mujkanovic, Procurement Germany, Deutsche Post DHL

Green office supplies clearly identified

"Every day gives us the chance to opt for environmentally friendly behavior – even when ordering new pencils. I think this is very important. In Germany, we have started to develop a directory of green office supplies within our electronic procurement system 'GeT'. We have more than 60 items marked 'green' already, which helps our colleagues order more sustainable office supplies. For example, we highlight products that are reusable, can be up to 80 % recycled and have been awarded an environmental certificate."

Kapil Kulkarni, Procurement, Global Sourcing

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Non-carbon environmental impacts

Contrary to the global implications of carbon emissions and climate change that require a Group-wide management approach, other environmental aspects such as waste, water or air pollution typically create impacts at local level. This is why we have implemented local environmental management systems at our sites around the globe to manage these impacts at the relevant level.

In 2010 we took some important steps to improve the management of our non-carbon environmental impacts. We updated our Group-wide Environmental Policy, laying the foundation for our GoGreen program and the environmental compliance of our business processes, and the Paper Policy, promoting paper reduction and the preferred use of recycled paper.

As we manage non-carbon impacts at site or country level, we do not report them on a global level. Nevertheless, we strive to identify and manage non-carbon aspects with strategic relevance to our stakeholders and to our business with a systematic approach on a regular basis.

Our Environmental Radar draws on all relevant information channels, including environmental managers at Deutsche Post DHL, customers, investors, policy, communications and science. The periodically reviewed results will lay the foundation to improve the management of non-carbon environmental impacts across the Group.

Our most significant non-carbon environmental impacts are described below.

Natural resources

Besides fossil fuels and energy being at the heart of our carbon efficiency target, we build on Group-wide guidelines and on the know-how of our employees to save other important natural resources. Due to the nature of our business, wood and water used for paper production are our most significant use of other natural resources.

Paper use and policy

[PwC»] Wood and water used for paper production are natural resources relevant to our business, so the use of paper and paper products is covered by our environmental protection program GoGreen. Deutsche Post DHL is committed to the principles of sustainable forestry, and we endeavor to use paper and paper products as sparingly and efficiently as possible.

Our policy for the procurement and selection of paper and paper products (“Paper Policy”) was updated in 2010 and has its foundation in the Group’s Environmental Policy and Group-wide standards for procurement. The Policy is binding for all companies within the Deutsche Post DHL Group, and ensures that paper and paper products, print products and packaging made from paper conform to the guiding principles of sustainability, resource protection and efficiency.

When procuring paper or services to manufacture or procure paper, only recycled paper is allowed. The only valid exceptions to this principle are when:

- recycled paper is not suitable for ensuring the necessary physical and/or technical properties of a product (e.g. mechanical stability of packaging)
- recycled paper is not available in the local market and cannot be obtained without an unreasonable amount of additional work and expense. These exceptions have to be verified and confirmed in either case by Corporate Procurement.

In 2010, we used around 100,100 tonnes of paper for packaging, stationery, and internal and external communications (98,100 tonnes in 2009). In line with our Group-wide Paper Policy, we will work further to promote the reduction of total paper use in 2011. The slight increase in 2010 against 2009 also mirrors an extended coverage of our paper reporting, with our 2010 data representing 80 % of the Group’s paper and cardboard products (compared to 75 % in 2009).

We have been able to continue the replacement of conventional paper with fully recycled paper and sustainably sourced paper. We increased the share of recycled paper from 50 % to 53 %, and the share of sustainably sourced paper from 12 % to 17 %. To date, about 84 % of our graphic paper, used for our brochures and other publications, is fully recycled.



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Paper use	2008	2009 ¹	2010
Paper use in tonnes ¹	91,500	98,100	100,150
100 % recycled paper	38 %	50 %	53 %
100 % sustainably sourced paper ²	23 %	12 %	17 %
Mixed paper ³	29 %	25 %	20 %
100 % conventional paper	10 %	13 %	10 %

¹ 2010 paper consumption data represent about 80 % of the Group-wide paper and cardboard products sourced through our Procurement organization (compared to 75 % in 2009). Data includes estimates and reports from suppliers.

² Paper certified according the FSC or PEFC standards.

³ From at least two categories. The mixed category includes paper with varying contents of recycled or sustainably sourced materials.

[«]

In Germany, 59 % of all paper used by Deutsche Post DHL is fully recycled. Further good examples in the implementation of the Paper Policy come from regions such as North and Latin America. For example, in 2010 DHL Global Forwarding Americas promoted initiatives to reduce paper use and to switch to recycled paper.

These included:

- using recycled material in office supplies
- a process review to reduce paper use, e.g. for airway bills
- switching to electronic vendor invoices.

This initiative produced excellent results, such as Brazil's share of recycled paper increasing from 40 % in 2007 to 95 % in 2010.

Reducing paper use with service providers

DHL Supply Chain reviewed existing processes to identify paper-saving potential. In 2010 the organization saved 300,000 sheets of A4 paper and 150,000 envelopes through the implementation of various projects, including:

- developing a downloadable payroll output report instead of hard copy print
- using recycled paper for pay-slips instead of virgin fiber paper
- sending the vendor invoice rejection letters and remittances via e-mail rather than having them printed and posted
- providing inter-company invoices as downloads and e-mails, replacing the previous paper process.

Air pollutants

Burning fossil fuels to power transport and buildings not only generates emissions of greenhouse gases but also of local air pollutants such as NO_x (nitrous oxides), SO_x (sulfur oxides) and particulates (PM).

We seek to minimize emissions of air pollutants from our own vehicles and aircraft through comprehensive re-fleeting and high maintenance standards. The electric and other alternative vehicles we are testing to improve our fleet's CO₂ efficiency also have a positive impact on reducing air pollutant emissions.



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Noise

- **Facilities:** Our sorting facilities generate noise from machinery and vehicles. Most of our larger facilities are located outside residential zones, and consequently the general risk of disturbance of local neighborhoods is low. Where buildings are located in or near to sensitive zones, local management is expected to work with residents and other stakeholders to ensure noise emissions from our operations are kept to an acceptable minimum.
- **Road vehicles:** Our modern vehicle fleet and good maintenance standards help to minimize noise. Our program to introduce more alternative vehicles contributes to our goal of minimizing noise as hybrid, electric and natural-gas-powered vehicles are, for the most part, quieter than those with diesel engines.
- **Aircraft:** We operate a large fleet of owned and dedicated aircraft – including an increasing percentage of jet aircraft that meet stringent ICAO Chapter 4 noise standards.

Waste

Waste management follows the established prioritization of reuse over recycling over disposal. At Deutsche Post DHL, waste is largely generated from used packaging of client shipments, especially cardboard, plastic shrink wrap and wood from pallets. Another major category of waste is paper, both in office and operations use, although this is expected to be gradually reduced by, for example, increased uptake of electronic shipping and customs documents, and is subject to our Group-wide Paper Policy.

We generate little to no waste from the maintenance of our vehicle and aircraft fleets, as this activity is largely outsourced to manufacturers or third-party services. A similar arrangement exists for the maintenance and disposal of our IT and communications equipment, which is mostly leased. Good environmental practice, however, forms an integral part of our maintenance contracts for both vehicles and electronics.

Water

Water consumption at global level is generally not material due to the service character of our business. Nevertheless, sites are working in line with the general EMS principles to implement measures to save water and utilize runoff rainwater where appropriate.

Vehicle cleaning and aircraft washing and de-icing is mostly handled by specialized third parties such as airport authorities or ground services, and public car washes.

Within our buildings, water usage is primarily for sanitation. Along with our GoGreen activities, we encourage our employees not only to reduce CO₂ but also to save other important resources such as water.

Water is, for the most part, obtained from municipal suppliers and disposed of in public sewage systems. There are no regular or process-specific pollutants in our waste water. Spill preparedness and response plans are key tools to safeguard against any accidental release of water contaminants.

Biodiversity

Biodiversity, the variety of life forms, is threatened by the destruction of natural habitats, overexploitation of resources, pollution, invasive species and climate change. The impact of transport and logistics might appear small and indirect in comparison with that of manufacturing and processing industries. Nevertheless, as our GoGreen program aims to minimize our business' impact on the environment, this will also contribute to preserving the biodiversity of our planet.

One concrete measure is our Paper Policy, promoting the use of recycled paper. The policy explicitly prohibits the use of paper sourced from tropical rainforests, primeval forests or ancient forests under protection, and helps to protect those important natural habitats.

In 2008, the MAIL division launched a two-year program with WWF to restore peat bogs in Indonesia, concluded successfully in 2010. The project was implemented to develop an internationally recognized standard for forestry-related climate protection projects and had a positive impact on the local natural habitats. Another MAIL initiative was the publication of a Plusbrief stamp, which included a 20-cent surcharge to support WWF's worldwide tiger protection campaign.

We also ensure that our General Terms and Conditions and operating practices are in accordance with the UPU conventions and the IATA Live Animals Regulations.

Mobilizing employees

Our around 470,000 employees contribute knowledge, experience and their amazing ability to innovate to help us realize our ambitious environmental goals. They know best how to minimize the use of resources and increase environmental efficiency in their workplaces. Mobilizing our employees is an important pillar in improving our resource efficiency and providing green solutions to our customers. Our employees put our environmental goals into practice, every day, around the globe.

Raising awareness

Environmental and climate protection is already well-known across our Group. We need to create further awareness about the GoGreen program, and help our employees understand why their contribution is crucial.

Using our internal communication channels, induction and learning programs, we raise awareness of the environmental impacts of our business, and motivate our employees to save natural resources.

As part of our yearly Employee Opinion Survey (EOS), we ask our employees for their feedback on the topic of environmental awareness. In 2010, 60 % of our employees confirmed that every individual in their teams is taking measures to save energy in their workplace.

The successful rollout of the GoGreen program is backed by the management's commitment within Deutsche Post DHL. In 2010, GoGreen has been further strengthened by its integration into important management processes and meetings.

To further increase awareness of GoGreen, we rolled out learning and awareness initiatives and tools. Our cross-divisional e-learning program reached around 10,000 users from April to December 2010. The DHL Global Forwarding division introduced a GoGreen e-learning program for its sales employees, with 1,700 completed modules. DHL Express included general information about the GoGreen program in its company training presentation for new employees, and DHL Supply Chain introduced an internal platform for sales people, to demonstrate ways DHL can deliver value to customers by creating more carbon-efficient supply chains.

As well as learning tools and platforms we publish dedicated green policies, or integrate GoGreen into existing guidelines to make sure carbon efficiency is considered in everyday business decisions. Alongside our Group-wide Environmental Policy, which sets the framework for our environmental commitment and the GoGreen program, we also have the following policies and guidelines:

- Guideline on the Usage of Liquid Biofuels: Ensures that our fleet managers only use sustainably produced biofuels when implementing pilot projects
- Investment Policy: Integrates improved carbon efficiency or other environmental benefits, compared to the assets they replace as a "must" criterion for new investments
- Procurement Policy and Supplier Code of Conduct: Consider GoGreen aspects to ensure the reduction of carbon emissions and other natural resources within our Group and to select only environmentally compliant providers
- Paper Policy: Guides employees to use 100 % recycled paper as the preferred source of paper
- Company Car Policy: Provides incentives for the voluntary downgrading to a more efficient vehicle class and defines CO₂ limits.

Call to action

Our employees know best how to minimize the use of resources and improve efficiency in their everyday working lives. We leverage this knowledge and involve them in contributing to environmental and climate protection through GoGreen.

With increasing levels of environmental awareness across our Group, we are taking the next step and asking our employees to integrate CO₂ efficiency and other environmental issues into their regular business decisions and daily activities.

One successful example of the mobilization of our employees is the GoGreen Dialog Map, designed to foster employee awareness of GoGreen within their working environment. Its seven categories help to avoid wasting resources. All solutions and employee ideas are collected, and the respective teams manage and monitor their implementation. The GoGreen Dialog Map is already available in 25 languages to enable every employee within Deutsche Post DHL to make use of it.

World Environment Day 2010 was once again a success story for Deutsche Post DHL and GoGreen, proving the high awareness and engagement of employees worldwide when it comes to environmental protection. Over 14,000 employees from all business divisions and across 80 countries organized or joined in activities for World Environment Day. In June, they showed green commitment with events such as an environmental family day, a paper awareness week or workshops and activities to reduce carbon emissions and the use of natural resources.

As 2010 was the UN's International Year of Biodiversity, Deutsche Post DHL supported the Global Invasive Species Programme in Brazil, protecting local biodiversity habitats. Some 35,000 employees were involved, resulting in financial support for 35,000 m² of additional protected biodiversity habitat in southern Brazil and supporting the 2010 World Environment Day motto: "Many Species. One Planet. One Future."

Green solutions for our customers

Our green study “*Delivering Tomorrow: Towards Sustainable Logistics*” revealed that 57 % of business customers and 51 % of consumers would choose an environmentally friendly logistics provider over a cheaper one. This indicates the importance and the business potential of green solutions. Through our GoGreen program and our eco-friendly products and services, we are a pioneer in green logistics. Sustainability is closely linked with our business strategy as it drives innovation, opens up business opportunities and gives us a competitive advantage in the market. Our customers are increasingly asking for green solutions, and for options to minimize the environmental impact of their logistics. With our green solutions, we support our customers in achieving their environmental targets.

Our GOGREEN product portfolio

1) GOGREEN customer reporting

With this service, we offer reports on all carbon emissions for a certain customer arising from products and services offered by Deutsche Post DHL.

2) GOGREEN consultancy

Our GOGREEN consultancy services focus on carbon reduction or efficiency strategies for our customers or for Deutsche Post DHL entities. The carbon strategies are based on analyzing supply chains, developing carbon reduction measures and supply chain optimization.

3) GOGREEN carbon reduced services


We offer products and services with lower carbon emissions than the respective standard product or standard service to our customers. The carbon reduction measures are additional in comparison to the daily common business.

4) GOGREEN carbon-neutral products and services

The carbon-neutral GOGREEN products and services offset the carbon emissions generated by any standard product or service, such as shipping, printing or site operations. The carbon-neutral service is verified annually by an independent third party.

5) Other eco-friendly services

Next to our GOGREEN solutions, we offer further eco-friendly services to our customers, helping to minimize our business' impact on the environment:

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ELECTRORETURN

Customers of Deutsche Post can return old electronic devices and empty print cartridges free of charge for recycling with the *ELECTRORETURN* service. This helps minimize the environmental impact and reuse valuable raw materials. Additionally, all *ELECTRORETURN* shipments are sent CO₂-neutrally with *GOGREEN*.

Charity stamps

Deutsche Post has sold charity stamps benefitting environmental protection projects since 1992, in cooperation with the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU). New stamps are issued every two years by the German Federal Ministry of Finance and carry a surcharge of €0.25.



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Green logistics solutions

Our customers already benefit from the GoGreen program with the target to improve the carbon efficiency of Deutsche Post DHL by 30 % by 2020. While we continuously strive to improve CO₂ efficiency in our own operations and networks we offer our customers the option to further reduce the environmental impact of their logistics activities.

GOGREEN customer reporting

With this service, we offer customers reports on all carbon emissions arising from products and services offered by Deutsche Post DHL.

DHL Global Forwarding and DHL Freight introduced a comprehensive *GOGREEN* offering in 2010, including customer reporting and a carbon offset offering:

- **DHL Global Forwarding/Freight Carbon Footprint Report**

(http://www.dhl.com/en/logistics/freight_transportation/go_green.html)

This easy-to-understand CO₂ report gives customers transparency when it comes to the emissions generated from logistics. The Carbon Footprint Report is prepared for customers for an agreed period (monthly, quarterly, annually), and is compiled based on an externally certified calculation method that provides customers with reliable CO₂ figures.

- **DHL Global Forwarding/Freight Carbon Offsetting**

(http://www.dhl.com/en/logistics/freight_transportation/go_green.html)

As a complementary product to the Carbon Footprint Report, Carbon Offsetting allows customers to make their supply chain carbon neutral through the purchase of so-called “carbon credits” from climate protection projects. The customer receives an externally verified certificate stating the amount of carbon emissions offset on an annual basis.

Green logistics

In 2010, DHL Global Forwarding developed and implemented a tool for its customer REI (Recreational Equipment, Inc.), an outdoor retail cooperative. This so-called Carbon Dashboard maps CO₂ generated throughout the full supply chain.

“REI is somewhat unique in our perspective of environmental stewardship and we continuously strive to minimize our CO₂ footprint. We challenged our partners at DHL to not only build a more comprehensive CO₂ reporting tool, but to allow for planning and flexibility in future scenarios, enabling beneficial supply chain decision points. Excellence in stewardship is what our customers expect of us and we are very pleased to have a partner that shares not only our CSR perspective, but is driven to identify visionary tools which will influence change beyond REI.”

Scott Searcy, International Logistics Manager, REI

The Carbon Dashboard maps carbon emissions generated throughout the supply chain and presents related customer KPIs and analysis functionalities. It is a powerful tool giving the basis to manage carbon emissions. The carbon dashboard reports the supply chain related carbon emissions generated by services of DHL GLOBAL FORWARDING and third parties. The view can be split by mode, tradelane or other criteria, and builds the base for calculating scenarios with improved carbon efficiency.



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GOGREEN consultancy

Our *GOGREEN* consultancy services focus on carbon reduction or efficiency strategies for our customers or for Deutsche Post DHL entities. The carbon strategies are based on analyzing supply chains, developing carbon reduction measures and supply chain optimization.

In 2010, we conducted selected consulting projects for GCS (Global Customer Solutions) customers such as 3M, a diversified technology company serving customers and communities with innovative products and services. The goal of the 3M study, founded and conducted by Deutsche Post DHL, was to deliver carbon consulting for a customer-specific part of their supply chain. Thus we generate know-how for future *GOGREEN* consulting projects.

With our *GOGREEN* consulting project, we supported the planned restructuring of the European 3M supply chain network. The study covered the carbon efficiency aspects of the network optimization. It showed potential carbon savings through the increase of shipment consolidation, leading to more FTLs.

Another successful service, contributing to GoGreen, is the Environmental & Compliance Service of DHL Supply Chain. This established package of solutions helps customers to meet environmental requirements along the supply chain:

- WEEE: efficient management and processing of waste electric materials arising at business premises, local authority civic amenity sites and UK households.
- Waste: provision of total waste management solutions which support and add value to the operations of DHL and our customers.
- Energy: a consultancy service which recommends ways to reduce energy consumption, and thereby save money and CO₂.
- Data: collection and collation of data which, when combined with sales reports, enable our customers to calculate their obligations under Producer Responsibility legislation.
- Compliance: calculation, regulatory return submission and discharge of Producer Responsibility obligations on behalf of our customers.
- Consultancy: provision of internal and external environmental, sustainability and CSR-based consultancy solutions.

One concrete best practice related to WEEE is the collaboration of DHL Supply Chain and the City of London: The two parties sponsor a series of events where people can take along unwanted electrical goods and, in exchange, choose other donated items for free. DHL supports this Green Swap Shop with a portable appliance tester at each event to check that electrical items work.

GOGREEN carbon-reduced services

We offer products and services with lower carbon emissions than the respective standard product or standard service to our customers. The carbon reduction measures are additional in comparison to the daily common business.



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In 2010, DHL Supply Chain piloted a telematics solution of Microlise for one of its customers, a leading electrical retailer in Bristol, UK. The Vehicle Activity and Driver Behavior Module was tested over a 12-month period to determine whether driver behaviour management could further improve carbon and cost efficiency. Based on the results, training needs were identified to address driver behavior, especially with regard to harsh braking and accelerating, idling time, engine braking and cruise control. During the pilot, fuel consumption was reduced by up to 6.5 %. This operational pilot helped to establish Microlise as DHL Supply Chain's preferred telematics supplier for the UK and Ireland.

Apart from logistics, we offer other green services to our customers. One example is the "Global Hybrid Print & Mail" service of DHL Global Mail, combining the advantages of electronic and traditional mail. It allows companies to replace the overseas mailing of their documents with an electronic transfer. Global Mail prepares the documents, for example invoices, and then prints them as close as possible to their final destination. From there they are delivered as printed mail. This service does more than reduce delivery times and postage costs; by reducing the air and road transport distance, it also offers the potential to cut carbon emissions by up to 80 % per letter compared with the traditional model of local printing and global distribution.

"Global Hybrid Print & Mail streamlines international mailing, enabling companies to optimize their printing and postage costs while accelerating delivery. It's also one more way that Global Mail promotes climate protection."

Thomas Kipp, CEO, DHL Global Mail



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Carbon-neutral *GOGREEN* products and services

We were the first logistics company to offer a carbon-neutral shipping service. With *GOGREEN*, the CO₂ emissions generated during the transportation and handling of customers' shipments are measured and offset through climate protection projects. Piloted in 2005, the service is now widely available, and in 2010, was available in 39 countries for EXPRESS, and partly for MAIL and GLOBAL MAIL customers, for DHL Global Forwarding customers worldwide and for DHL Freight customers in Europe. In 2010 our DHL Global Mail unit was the first mail provider in the United States to offer the carbon-neutral shipping service to its customers. Across all divisions, we offset around 82,000 tonnes of CO₂ for our customers and sent more than 1.7 billion *GOGREEN* shipments in 2010.

GOGREEN is also part of Deutsche Post's new online product, the E-Postbrief. It brings postal confidentiality into the internet age with an online mail service with clearly identified originator and addressee. The E-Postbrief allows pure electronic mail as well as a hybrid combination of electronic and printed mail. The online version of the E-Postbrief is CO₂-free, using energy from renewable sources for operating the servers. For the hybrid version, which can be delivered physically, we offer the *GOGREEN* service to our business customers and cover the offset costs for all private mail.

DHL Global Mail first mail provider to offer carbon-neutral shipping in the United States

Since January 2010, DHL's Global Mail Division has offered the carbon-neutral *GOGREEN* service to its customers in the United States. The service is verified by the independent organization SGS and is available for all of the company's domestic shipping and mailing products.

"Many of our customers share our commitment to the environment, and they voiced their desire for a more eco-friendly mailing option. *GOGREEN* helps our customers reduce their carbon footprints in a practical and transparent way, while expanding Global Mail's own climate protection efforts."

Lee Spratt, CEO, DHL Global Mail Americas



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Carbon-neutral GOGREEN products and services:

Carbon-neutral mail and parcel services for private customers (in Germany)

Plusbrief and Pluskarte

The Plusbrief is an envelope with its own special printed stamp. It is sent carbon-neutrally, at no extra cost for customers. Plusbrief is made with paper from sustainably managed forests and is certified by the Forest Stewardship Council (FSC).

Plusbrief GOGREEN (<https://www.efiliale.de/efiliale/katalog/produktKategorie.jsp?Item=cat6140003>)

Mail stickers

GOGREEN stickers allow individual letters to be sent carbon-neutrally from Germany to destinations all over the world.

GOGREEN stickers (https://www.efiliale.de/efiliale/deeplink.jhtml?frameUrl=katalog/produktKategorie.jhtml&Item=cat6140003&ban_track_id=101000463&ban_cat_id=1)

Online Franking

DHL Online Franking allows for small packages and parcel stamps to be easily and conveniently ordered and paid for online. Clients can add the GOGREEN service and send their small packages or parcels carbon neutral.

GOGREEN Online-Frankierung (<http://www.dhl.de/online-frankierung>)

Pluspäckchen

The PLUSPÄCKCHEN GOGREEN is a medium-sized parcel which includes both packaging and postage. It can be used to send parcels up to 10 kg anywhere within Germany. It is sent carbon-neutrally, at no extra cost for customers.

Pluspäckchen GOGREEN (<http://www.dhl.de/en/paket/privatkunden/klimafreundlicher-versand.html>)



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Carbon-neutral mail, parcel and express services for business customers

Business mail (Germany)

Business customers in Germany can send their mail carbon-neutrally and show their commitment to preserving the environment with the *GOGREEN* label printed on the envelope. Also DHL Global Mail customers in the US can ship their mail carbon-neutrally.

***GOGREEN* mail for business customers** (<http://www.deutschepost.de/gogreen>)

DHL Global Mail

Business customers can send their international mail carbon-neutrally with *GOGREEN* Letter Mail for direct entry into Germany, export from Germany and cross-border (European origins). For customers in the US, we offer the *GOGREEN* Letter Mail domestic USA (expedited and budget).

DHL Global Mail (<http://www.dhl.com/en/mail.html>)

DHL Parcel

This carbon-neutral shipping option for business customers in Germany was launched as the pilot “Green Parcel” in June 2005 and is now available for all business customers in Germany.

***GOGREEN* Parcel for business customers** (<http://www.dhl.de/go-green>)

DHL Express

The *GOGREEN* carbon-neutral shipping option is available for DHL Express business customers in around 40 countries in Europe, Asia Pacific and EEMEA.

***GOGREEN* Express for business customers** (<http://www.dhl.com/publish/g0/en/about/sustainability/gogreen.high.html>)



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Carbon-neutral services for logistics customers

DHL Global Forwarding and DHL Freight

Business customers all around the world can neutralize their transport-related carbon emissions for air, ocean and road freight services. (http://www.dhl.com/en/logistics/freight_transportation/go_green.html)

DHL Supply Chain

DHL Supply Chain customers can choose to offset their carbon emissions. With this service we introduced the first carbon-neutral warehouse in the UK in 2008. (http://www.dhl.com/en/logistics/supply_chain_solutions.html)

Carbon-neutral printing service

DP Com

Germany-based Deutsche Post Com GmbH offers a carbon-neutral printing service to its customers. (http://www.deutschepost.de/dpag?tab=1&skin=hi&check=yes&lang=de_DE&xmlFile=46046)



How a shipment becomes a *GOGREEN* shipment

Assess: We calculate the CO₂ emissions for every *GOGREEN* shipment and service, accounting for the fuel used for the shipment's transport as well as the energy used for the shipment's handling at our facilities.

Offset: We offset the calculated emissions by investing in official climate protection projects (e.g. wind park in China or a biomass plant in India).

Verify: We verify the CO₂-neutral shipping for our *GOGREEN* customers. To keep our high quality standards, SGS (Société Générale de Surveillance) annually verifies the emissions calculations and offsetting for *GOGREEN* services according to the principles of ISO 14064.



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Climate protection projects

In order to offer our carbon-neutral *GOGREEN* shipping service, we need carbon credits to offset the CO₂ emissions from transporting our customers' shipments. We purchase these carbon credits from the climate protection projects we invest in.

To meet our customers' requirements, we only choose climate protection projects of the highest standards. Generally, our minimum level is a VER (Voluntary Emission Reduction) with **Gold Standard** (<http://www.cdmgoldstandard.org/>), a standard implemented by several international non-profit organizations. Most of the climate protection projects supported by Deutsche Post DHL also comply with the **Clean Development Mechanism (CDM)** (<http://cdm.unfccc.int/index.html>) and provide CER (Certified Emission Reduction), an official carbon credit of the UNFCCC. CER's are carbon credits following the rules of the Kyoto protocol, thus ensuring carbon reductions, technology transfer and social benefits through the related climate protection projects.

On special request, we offer carbon credits from VCS climate protection projects for B2B logistics. "VCS" means a global standard and program for approval of credible voluntary offsets developed by The Climate Group, the International Emissions Trading Association (IETA) and the World Business Council for Sustainable Development (WBCSD).

The principle of carbon offsetting is only used to offer carbon-neutral services to our customers. It does not form part of our efforts to reach our CO₂ efficiency target.



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We deliver climate protection

As the availability of climate protection projects meeting high quality standards is limited, Deutsche Post DHL decided to initiate its first own project in Lesotho. For the conventional cooking process people living in rural areas traditionally use open fireplaces. But this process requires a large amount of firewood, a scarce resource in Lesotho and, in addition to emitting CO₂, the open fireplaces produce huge quantities of smoke which adversely affects people's health.

In our Lesotho project, Deutsche Post DHL invests in efficient wood-burning stoves called "Save80", which use up to 80 % less wood. In financing the project in Lesotho, our Group allows the local people to buy the new stoves at reduced prices. DHL transported the first 1,300 Save80 stoves to Lesotho by the end of 2010. They are assembled on site and also maintained there, which also creates additional employment for local people. In investing in the Save80 stoves, the people of Lesotho benefit from a more comfortable and healthy cooking process, and also save time and money thanks to the reduced amount of wood they need for cooking. Deforestation and soil erosion are subsequently minimized. At the same time, the people in Lesotho reduce carbon emissions by replacing open fireplaces with the more efficient stoves. The Lesotho project is expected to generate 20,000 tonnes of reduced CO₂ annually, resulting in carbon credits. Those will be used by Deutsche Post DHL from 2012 onwards to offset a major part of the transport-related carbon emissions for the *GOGREEN* shipments.



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Demonstrating leadership

Sustainability is critical for the future success of the logistics industry – this is why we drive our environmental commitment forward. It is also the key message of our green study “*Delivering Tomorrow: Towards Sustainable Logistics*”. To make logistics more efficient and sustainable on a step-by-step basis we engage with external stakeholders from our industry, from other sectors and with politicians.

Our position towards green

At the end of 2010, Deutsche Post DHL published the study “*Delivering Tomorrow: Towards Sustainable Logistics*” (<http://www.dp-dhl.com/sustainable-logistics>) on green business trends. On the basis of our partnership with the Shanghai Expo, Frank Appel introduced the key developments as an outcome of the study in Shanghai.

The study clearly points towards a low-carbon future, based on expert interviews with representatives from science, Deutsche Post DHL, customers, and on the results of a green survey of 3,600 business customers and consumers worldwide. The results confirm that sustainability will transform the logistics industry, both in terms of its business model as well as the range of advanced solutions and technologies that will be used by logistics service providers.

“We want to take a significant step forward when it comes to lowering carbon emissions and do our part to facilitate a carbon-efficient economy. The study provides valuable insights into how we can achieve this goal. Sustainability, especially the reduction of carbon emissions, is already a central aspect of our business and an integral part of our corporate strategy. Customers worldwide increasingly demand greener logistics and are thus the best indicators for us that we are on the right track.”

Frank Appel, Chief Executive Officer, Deutsche Post DHL

One of the key trends of the green logistics study is that collaboration will be an enabler to attain sustainability. At Deutsche Post DHL, we build on a broad network to strengthen the development of more efficient solutions for logistics.

One concrete example is the foundation of the Sustainable Supply Chain Centre Asia Pacific (SSCCAP), a partnership between DHL and the National University of Singapore (NUS) to develop and implement best practice sustainable supply chain solutions in the **Asia Pacific region** (<http://www.sccap.com>). SSCCAP was launched on 1st July 2010 and is governed by a committee of representatives from DHL, NUS, the Singapore Economic Development Board and industry partners. By bringing together industry and academic sectors, SSCCAP aims to develop new knowledge to accelerate supply chain sustainability within the region. It focuses on two initial themes: Sustainability Network Modelling and Sustainability Opportunity Assessment. The former will provide a “technical reference”, using commercial optimization and simulation tools as a basis, while the latter will provide a framework of best practices to support supply chain operations in taking their first steps to sustainability.



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In addition to our partnership with the SSCCAP, Deutsche Post DHL collaborates with other companies and organizations to drive the development of greener logistics:

World Business Council for Sustainable Development (WBCSD)
World Resource Institute (WRI)
World Economic Forum (WEF)
Carbon Disclosure Project (CDP)
Network for Transport and Environment (NTM)
US EPA SmartWay Program
ClimateTransAct/SmartWay-like working group in Europe
BSR Clean Cargo Working Group
Deutsche Umwelthilfe "Netzwerk Carbon Footprint"
Product Carbon Footprint World Forum
China Development Institute
UNEP Climate Neutral Network
Clean Cargo Working Group
B.A.U.M. e.V.
Initiative Pro Recycling Papier

We're continually working to improve our energy efficiency and put our environmental commitment into practice. That is why we are especially proud of external rewards and recognition, showing that we are on the right track with GoGreen.

Ranked second best Carbon Disclosure Leader worldwide

Deutsche Post DHL's GoGreen commitment has been highlighted in the 2010 "Global 500 Report" by the Carbon Disclosure Project (CDP). We came second in the Carbon Disclosure Leadership Index, scoring 97 out of a possible 100 points. This global index rates companies according to their reporting of climate data and how they approach the issue of climate change in operational and strategic terms.

Deutsche Post DHL was also among the top 10 % of the world's 500 leading companies that achieved the highest rating in the Carbon Performance Leadership Index.

CDP is a non-profit organization that rates the climate protection data and strategies of the world's largest companies. It does so on behalf of some 534 investors around the world, who manage assets totalling around US\$64 trillion.

"The excellent rating by the Carbon Disclosure Project shows that we are on the right track with our GoGreen environmental protection program."

Frank Appel, CEO, Deutsche Post DHL



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Good environmental results for DJSI confirmed for 2010

Deutsche Post DHL has again been listed in the leading capital market indices: The Dow Jones Sustainability World Index, the Dow Jones Sustainability Europe Index and the FTSE4Good Global Index. Each year, these indices re-evaluate the sustainability efforts and results of companies according to strict criteria, thus creating an important decision basis for sustainability oriented investors.

Deutsche Post DHL has been listed in the FTSE4Good since 2004. The Group has now performed impressively in the Dow Jones Sustainability World and Europe Indices for the second year in succession, achieving high ratings in the economic and social criteria and an outstanding 97 % in the ecological criteria of the sustainability ranking.

Winning the Green Fleet Award with convincing alternative fleet strategy

Deutsche Post DHL has won the GreenFleet Award in 2010, a prize that acknowledges innovative projects that reduce the CO₂ produced by vehicle fleets. The award was presented on 12th October 2010 in Munich by FleetCompany, a subsidiary of the audit company TÜV South. IKEA Germany and Paul Hartmann AG also picked up awards, and 30 German companies were nominated.

The vehicle fleet optimization concept submitted by Deutsche Post DHL was developed by the GoGreen department, together with DHL Solutions and Innovations and Fleet Management. The concept provides the foundation for a vital element of the GoGreen program: The improvement of CO₂ efficiency in road transport. It is divided into three stages.

The first stage involves ascertaining reliable fuel consumption and CO₂ emissions data for the Group's vehicles. In the second stage, the viability and efficiency of the technologies available on the market are examined and tested in pilot projects. Promising innovations are widely introduced in the third stage.

This systematic approach and specific measures, such as the current pilot of electric vehicles, e.g. the Iveco E-Daily and the Daimler E-Vito, won over the Green Fleet Awards jury.

The political agenda

A comprehensive and global political framework is especially important to encourage CO₂ efficiency improvement ambitions in our industry and in other sectors. We already do our part in improving efficiency but are asking political leaders to come up with incentives and regulations to help companies create greener business models.

Introducing a global framework for carbon pricing

Certain sectors and regions of the world have announced the introduction of carbon pricing mechanisms. In the European Union, for example, an Emissions Trading System (ETS) started in 2005, which will also include aviation as of 2012, shows us that carbon will be priced in the future.

Our position

Deutsche Post DHL supports a fast implementation of a global framework for a market-based approach at tangible costs. We regard a market-based approach as a fair and efficient mechanism to limit man-made greenhouse gas emissions.



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Setting international standards for transparency across the supply chain

Our subcontractors' emissions make up about 80 % of our Group's CO₂ footprint. For us and for our industry, Deutsche Post DHL sees end-to-end transparency throughout the entire supply chain as a key element to effectively manage CO₂ emissions and improve transparency for the consumer.

Our position

Deutsche Post DHL asks policy makers to support the ongoing development of common, international and industry-driven standards for carbon measurement at organizational, product and customer levels.

Supporting investments in carbon efficiency

We have already adapted our investment policy so that it supports sustainable carbon-efficient alternatives. As many investments in carbon efficiency pay off only in the long term, they also need stronger external incentives.

Our position

Deutsche Post DHL will continue to invest in efficiency measures proactively, calling on governments and multilateral institutions to support these investments across all industries to enable competitive payback times and revenue opportunities.

Funding research and development for low-carbon solutions

We believe that there are promising low-carbon transportation solutions. But commercial availability and affordability is still at an early stage and needs to be supported by research and development activities.

Our position

Deutsche Post DHL asks for additional public funding for research and development to identify and foster truly sustainable options for low-carbon transportation.

Political agenda at European level

The EU logistics sector generates €930 billion in annual revenue. To give our industry a voice in shaping relevant regulations, we initiated the **Alliance for European Logistics (AEL)** (<http://www.logistics-alliance.eu/>). This organization focuses on the European policy framework, of which Deutsche Post DHL currently highlights three areas:

Complete the EU single market for transport and reduce its complexity

All modes of transport must be liberalized to enable a seamless and more sustainable cross-border transport flow in the EU. For aviation, the "Single European Sky II" has the potential to reduce CO₂ emissions per flight by up to 12 % thanks to more efficient air traffic management, and must be implemented without delay.

Currently over 30 % of trucks operate empty in the EU. Lifting restrictions for cabotage operations, i.e. domestic transport by a vehicle registered in another EU Member State, could reduce the number of empty trucks, reducing congestion and bringing environmental and economic benefits.

There is a clear need to enforce the liberalization of the rail market and to launch rail-freight priority corridors. Combined with better rail infrastructure where needed, this would increase the service quality and reliability of rail freight service up to the level required by rail freight customers.



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Tackle congestion at its real source

Considering that around 90 % of congestion is caused by passenger cars, the proposed charges on heavy trucks to reduce congestion would be discriminatory and inefficient. Road congestion is a complex issue and requires an integrated policy including all road users equally and promoting incentives rather than increasing costs.

Urban logistics solutions, like consolidation centers, require strong collaboration upfront between the industry and local authorities.

Incentives and research for technologies

Greener logistics could be supported by developing more carbon-efficient vehicle technologies and information and communication technologies to optimize route planning and reduce congestion. National and EU financial incentives should be created for end-users in order to secure rapid deployment of technologies on the market.

Further, Deutsche Post DHL has provided the EU Commission with a “Yellow Paper” on efficient logistics in 2010. This seeks to contribute to the European Commission’s Draft White Paper on the future of transport. It takes a pragmatic approach, with business cases demonstrating how the EU and other countries could increase both the efficiency and sustainability of logistics services.



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EMPLOYEES



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Our approach

Becoming an Employer of Choice is one of the core objectives of our **Strategy 2015** (http://www.dp-dhl.com/en/about_us/strategy.html). Any business in the mail and logistics sector relies on a large workforce. The competencies, commitment and motivation of our employees are key factors in the long-term success of Deutsche Post DHL. It is crucial to fully develop the potential of each individual working within our organization to achieve the other two core targets of our Group strategy – becoming Provider of Choice and Investment of Choice. We promote a culture of dialog and diversity, continuously invest in creating a safe and healthy working environment, and provide our employees with opportunities to grow and develop.

Strategy and Employer Value Proposition (EVP)

Our People Strategy defines our strategic human resources goals and priorities, and our Employer Value Proposition (EVP) is the key to becoming an Employer of Choice.

Supporting dialog

We support a culture that fosters constructive dialog between employees and managers as well as between executive management and employee representatives. In 2010, we carried out our fourth Group-wide Employee Opinion Survey (EOS) and all indicators have improved considerably. We work together with employee representatives and unions in individual countries according to national laws and customs.

Living diversity

We want to become Employer of Choice for all our employees and job applicants – regardless of gender, ethnic background, religious beliefs, age, disabilities or sexual orientation. Diversity management forms part of our employment policy and, as such, is deeply rooted in our Group's Code of Conduct. Our openness to innovative approaches is demonstrated in activities such as our participation in 2010 in the pilot project "Anonymisierte Bewerbung" ("Anonymous Application"), run by the Federal Anti-Discrimination Agency in Germany.

Health and safety at work

The health and safety of our employees is essential for maintaining their ability to work and their motivation. In 2007, Deutsche Post DHL introduced a global **Corporate Health Policy** (<http://www.dp-dhl.com/content/dam/dpdhl/responsibility/downloads/CHP%20dt%20final%20Deutsche%20Post%20DHL.pdf>). Our focus in the area of safety at work is on road safety and we support the goals of the **European Road Safety Charter** (<http://www.erscharter.eu/de/node>) with our Global Road Safety Initiative, also launched in 2007.



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Finding, developing and retaining talent

As we have the largest service portfolio in the mail and logistics sector, we are able to provide our employees with numerous opportunities to grow and show their commitment. By training young people, we also ensure that we will have the right employees at the right time in the right place in the future.

Encouraging ideas

Our employees and their ideas make a contribution to our success. In the reporting year, employees submitted about 228,000 suggestions, which we used to improve processes, lower maintenance and energy costs, and protect the environment.



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Strategy and Employer Value Proposition

People are the driving force in logistics. We want to become the Employer of Choice in our sector – which is why we launched our People Strategy in 2009. Our Employer Value Proposition (EVP) is an important aspect of our positioning with potential employees. Established in 2010, it defines our employer brand identity and sets out our objective of becoming the preferred employer in logistics. Our EVP consists of three key elements:

- we offer current and potential employees a diverse range of opportunities to develop professionally and personally (“Growth”)
- we empower them to contribute their ideas and competencies and influence the success of the company (“Impact”)
- we encourage them to be a part of an organization that makes a contribution to society as well as to the postal and logistics industries (“Pride”).

“In a ‘people business’ like ours, it’s employees who make the difference. Becoming Employer of Choice for them is the key to becoming First Choice for our customers and investors.”


Walter Scheurle, Board Member for Personnel, Deutsche Post DHL

Our Group has the most comprehensive range of services to be found in the mail and logistics sector. Deutsche Post is Europe’s largest postal services provider and the market leader in the German mail and parcels market. DHL, as the market leader in international logistics, offers innovative solutions that are perfectly tailored to customer needs. Our global network is focused on providing and ensuring service, quality and sustainability.

True to our Guiding Principle “Respect and Results”, we seek – in everything we do – to achieve both good economic results and respectful relationships with employees, customers, investors, the public, political decision-makers and labor unions. Our “ethical compass” is our Code of Conduct, which stipulates mandatory principles for ethical and responsible behavior for our employees worldwide. Our Code of Conduct for suppliers requires those with whom we do business to comply with ethical and environmental standards. Our commitment to corporate responsibility, embodied in our “Living Responsibility” strategy and its programs in environmental protection, disaster management and education, provides significant support towards our target of becoming a preferred employer. We encourage our employees to play their part in making our world a better place in which to live. Initiatives such as our Group-wide charitable fund “Deutsche Post DHL – We Help Each Other” help to bring our employees together and strengthen our shared identity.

“Deutsche Post DHL – We Help Each Other”

After the disastrous earthquake in Haiti in January 2010, we initiated the Group-wide campaign “Deutsche Post DHL – We Help Each Other” (WHEO). WHEO is registered as a non-profit association in Germany. True to the motto, Deutsche Post DHL employees donate their own money to help colleagues to deal with the consequences of natural disasters, terrorist attacks or war. In 2010, the initiative received around €170,000, which has been used to help 188 employees who suffered from natural disasters in Haiti, Chile, Poland, Germany, Thailand, Panama and Venezuela.

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Our HR structure

Our HR structure includes four central areas – HR DHL International, Corporate Executives, HR Standards & Guidelines, and HR MAIL – and three Centers of Expertise: Talent Management & Sourcing, Learning & Development, and Compensation & Benefits. These support personnel management in each division of the company by providing standardized HR solutions.

This structure, introduced in 2009, makes it possible for us to implement Group-wide standards and processes, and continue to optimize the way in which we respond to the specific challenges posed by the two central pillars of the Group, Deutsche Post and DHL. Our HR Council, the decision-making body for HR matters, is composed of representatives from all areas of the company. It agrees upon Group-wide HR activities, monitors their implementation and serves as a platform for the exchange of best practice. The HR Council's work proved successful in 2010, as it managed to advance a number of cross-divisional key issues. The representative for HR matters at Board level is Walter Scheurle, Board Member for Personnel and Labor Director.

Our People Strategy

The overarching aim of our "People Strategy", introduced in 2009, is to become the Employer of Choice in our sector. The strategy comprises five strategic priorities and objectives for the development of our people:

Priorities	Strategic Objectives
I. Strengthening our Leaders	> Leadership guided by "Respect and Results"
II. Engaging our Employees	> Capable and committed workforce
III. Increasing Collaboration and ONE DHL	> Ability to leverage talent across the Group
IV. Enabling Business Growth	> Workforce flexibility to sustain and grow the business
V. Driving HR Efficiency	> Simplified and sustainable HR services

"People are the key to the Group's continued and future success. Across our organization is a wealth of untapped talent, capability and knowledge. To unleash this power, we need good management role models, and a structured people development process. Only then can we create high-performance teams with self-starting individuals who live up to the expectations that our customers set for our services. Our People Strategy has identified the necessary actions and we have begun to implement them, to ensure our people deliver on their promise and potential."

Stephen McGuckin, Executive Vice President, HR DHL International, Deutsche Post DHL

We are implementing our strategy through a range of measures, with four areas of focus for 2010:

Management concept

Our Strategy 2015 requires effective leadership to transform Deutsche Post DHL into a high-performance organization. The "Leadership Framework"/Management Concept aims to contribute to this. As leaders by example, our managers have a decisive part to play in the implementation of our Strategy 2015. We identified the qualities and competencies a leader needs to tackle this task effectively, and we determined an optimum structure for the global management team. We are also supporting our managers in rising to this challenge through appropriate professional development opportunities.



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Performance measurement

A consistent, objective measurement system is necessary to enable us to assess the caliber of our employees and to form the basis for determining our actions. This project aims to support our management in measuring employees' performance by providing relevant contextual information – such as results from employee opinion surveys and customer satisfaction surveys – and formulating clearly defined competencies as a basis for our performance criteria. Our objective is to develop a comprehensive, scalable instrument for performance measurement, which will ensure the Group-wide application of consistent standards of assessment, with pay directly related to performance.

Talent management

We are developing clear career paths for a range of key positions and job families with varying quality requirements, creating transparency and identifying cross-divisional development opportunities for the employees of "ONE DHL". This involves defining the positions particularly critical to our success, quantifying the number of people we need for these positions and identifying the qualifications they require. Additionally, we are identifying strong performers within the organization who show the right potential to take the next step in their careers. This career paths initiative aims to support careers that develop across divisions and seeks to bring the different parts of the Group even closer together.

HR services

We are driving HR efficiency by developing a Group-wide model for the provision of HR services. A global HR services catalog will be provided, to assure a constant level of quality and delivery for HR services.

Our employees by numbers

Since the beginning of the 1990s, we have evolved from the government agency Deutsche Bundespost into the global mail and logistics services group Deutsche Post DHL. We are one of the world's largest employers, with 418,946 employees (calculated as the number of full-time positions) as of 31st December 2010, working in over 220 countries and territories worldwide. This total has fallen by 1.4 % from the previous year. Our total headcount came to 467,088 on 31st December 2010, a decrease of 2.1 %. This was mainly due to selling the national express delivery businesses of DHL Express UK and DHL Express France.

In 2010, about 40 % of our staff was employed in Germany. In the rest of Europe, employee numbers fell after selling the British and French DHL Express companies. Numbers increased, however, in the Americas, Asia-Pacific and other regions, and the fluctuation rate was 10.1 % (2009: 13.5 %).



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Employees (Deutsche Post DHL) (as at 31 December)	2008	2009	2011
Headcount¹	512,536	477,280	467,088
Percentage deviation year-on-year (%)	0.1 %	-6.9 %	-2.1 %
Full-time employees²	451,515	424,686	418,946
Percentage deviation year-on-year (%)	-0.5 %	-5.9 %	-1.4 %
By region			
Europe	304,465	286,954	276,243
Americas	78,212	66,833	68,268
Asia-Pacific	55,182	57,897	61,239
Other regions	13,656	13,002	13,196

¹ Including trainees

² Excluding trainees

Employees by region (full-time equivalents) (as at 31 December)	2010
Germany	40 %
Europe (excl. Germany)	26 %
Americas	16 %
Asia-Pacific	15 %
Other regions	3 %

Employees by corporate division (full-time equivalents) (as at 31 December)	2010
MAIL	34 %
EXPRESS	21 %
GLOBAL FORWARDING, FREIGHT	10 %
SUPPLY CHAIN	32 %
Corporate Center/Other	3 %

Employee turnover (Deutsche Post DHL)¹

2009	13.5 %
2010	10.1 %

¹ According to a survey of organizational units.

Represents 2010 93.6 % (2009: 88.6 %) of employees (headcount).

Note: Employee turnover rates at Group level are not classified according to age, gender or region.



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Our measuring systems

With around 470,000 employees, our Group is one of the world's largest service providers. Our HR work is informed by a series of Key Performance Indicators (KPIs) – known as our “People KPIs” – relating to issues including, but not limited to, personnel structure, absences, health and occupational safety, employee turnover, vocational training and further training for employees, and employees' ideas. These Group-wide KPIs are a vital support to the implementation of our People Strategy.

We measure progress and have already defined and successfully implemented initial measures and improved processes to increase the quality of data. The KPIs are based on a global survey; collecting these data is a substantial challenge for the Group, which has expanded quickly through a number of acquisitions.

In 2009, we further standardized our HR KPI system across the organization and integrated data collection into our global financial reporting system. In 2010, we continued to optimize our processes and improved the quality of data. We also implemented consistent quality checks of all corporate divisions, which helped support our business units worldwide to collect HR data more efficiently and avoid the collection of redundant data. Although these measures resulted in improvements in HR KPI data quality for all Group companies, we are committed to further optimizing data quality in the future and to extending the scope of HR KPI reporting at Group level.

“Standardized HR KPIs are a great help in managing our HR processes efficiently and in documenting our journey towards our objective of becoming the Employer of Choice.”

Jörg Seufert, EVP for HR Standards & Guidelines Germany, Deutsche Post DHL



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Engaging in dialog with our employees

Our People Strategy is our roadmap to becoming the Employer of Choice in the logistics sector. It relies on combining successful HR programs and initiatives with suitable and professional processes, and activities for fostering dialog with our employees.

If we want to become the Employer of Choice, it is important to evaluate and foster our employees' initiative and commitment. Knowing and understanding our workforce's views helps us to determine and conduct follow-up actions. This is why we want to intensify our ongoing dialog with our employees, using a range of channels and media, such as employee newspapers and magazines, intranet and extranet, and social media and surveys.


A central element is our annual Employee Opinion Survey (EOS), which since 2007 has been an opportunity for all our employees to give feedback anonymously. It covers various aspects of their companies as well as their working environment and culture. In addition, a diverse range of internal communications channels, such as opportunities to leave comments on our corporate intranet or write letters to employee magazines, engage our employees in an ongoing dialog.

“Every ONE counts”

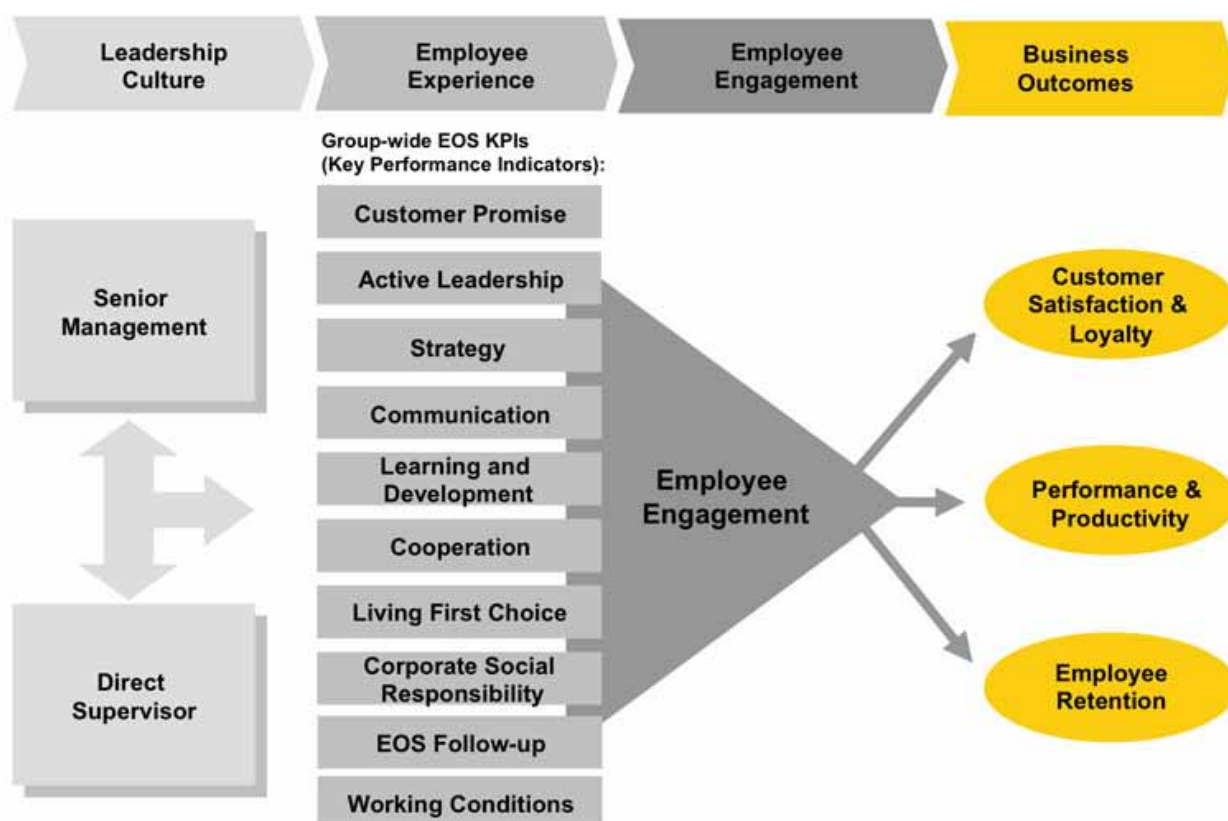
This year's Employee Opinion Survey “Every ONE counts” saw participant numbers increase significantly: The global response rate was 79 % (2009: 76 %).

EOS Response Rate by division	2009	2010
MAIL (incl. Global Mail)	58 %	63 %
EXPRESS	88 %	92 %
GLOBAL FORWARDING/FREIGHT	92 %	93 %
SUPPLY CHAIN (incl. Williams Lea)	90 %	90 %
Global Business Services	78 %	77 %
Corporate Center/Corporate Services (incl. Global Customer Solutions)	85 %	84 %
Total	76 %	79 %

The high response rate demonstrates our workforce's active engagement in dialog with us. It also demonstrates the importance of the survey in using our range of communication instruments to drive continuous improvement.

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The survey process

The questionnaire, which is published in online and paper versions, comprises 40 questions, standardized across the organization, on 11 areas: These are the Key Performance Indicators (KPIs). The diagram above illustrates how an employee's experience of work is influenced by the organization's senior management culture as well as the employee's line manager. Our employees' experiences impact on their commitment and motivation, which in turn influence customer satisfaction, employees' performance and how well they identify with the organization.



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Overview: Results 2010

Overall, results have shown a marked improvement compared to the previous year, across all KPIs and for each single question. Increases for the KPIs ranged from 3 % to 9 %. The high values recorded for Customer Promise (77 %), Cooperation (74 %) and Working Conditions (73 %) emphasize where our major strengths are to be found. We are also pleased to report that 73 % (2009: 67 %) of participants are generally satisfied with their job. Nevertheless, EOS Follow-up Measures (53 %) and Living First Choice (59 %) continue to indicate room for improvement, despite considerable improvements on last year's performance.

EOS Results by KPI (Agreement %)	2009	2010
Customer Promise (the degree to which employees contribute toward providing sustainable solutions and quality products and services which make customers' lives easier)	70 %	77 %
Employee Engagement (employees' degree of identification with Deutsche Post DHL; satisfaction, loyalty, pride in their jobs and willingness to act as ambassadors for the organization)	60 %	67 %
Active Leadership (employees' perception of the ability of their direct line managers to shape and lead their team)	58 %	63 %
Strategy (the degree to which Deutsche Post DHL's strategy is clearly communicated to employees and the level of trust the employees show in the organization's future prospects)	55 %	64 %
Communication (the degree to which internal communication in Deutsche Post DHL fosters an open and constructive exchange of information)	56 %	62 %
Learning and Development (the extent to which Deutsche Post DHL puts its employees' personal and task-related competencies to optimum use and develops them further; employees' perception of opportunities to grow and learn in their role)	58 %	63 %
Cooperation (employees' level of active commitment to and in their team; degree to which the team works together to achieve improvements that increase the organization's success)	71 %	74 %
Living First Choice (the extent to which First Choice tools and methods are employed successfully to produce continuous improvement)	51 %	59 %
Social Responsibility (employees' perceptions of Deutsche Post DHL's social and environmental CR activities and the level of support they give to them)	56 %	62 %
EOS Follow-up Measures (employees' perceptions of the extent to which their responses to the EOS are taken on board and lead to change)	44 %	53 %
Working Conditions (the degree to which employees perceive safety at work to be an important issue for Deutsche Post DHL, and the extent to which they feel they have all the materials they need in order to work well)	67 %	73 %



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In brief: Follow-up action taken

The results of our Employee Opinion Survey serve as the basis for follow-up action, implemented by the respective executives. Some of this year's successful initiatives, which emerged from feedback given in the 2009 survey, are detailed below.

MAIL

Our MAIL division has further developed a culture of direct and constructive dialog between employees and executives. In roadshows across Germany, we engaged approximately 11,000 employees at 11 events in face-to-face dialog with the MAIL division's Board. Plenary discussions provided opportunities for a productive exchange of views on the organization's strategy and its current position. Three central "Foren Zustellung" (Delivery Forums), attended by delivery employees, managers and Board members, focused on issues arising in operations. In addition, 49 MAIL operations branches played host to regional events at which representatives from management informed delivery employees about the impact of central corporate projects on their area of work. Workshops provided a forum for extensive discussions on these issues.

Overall, we are able to report that employees have responded very positively to the deepening of direct dialog. The 12 % rise for the "Strategy" KPI in the MAIL division shows that employees placed particular value on a content-based exchange of views about strategy. Furthermore, the 8 % increase for "Communication" demonstrates the important role played by the expansion of opportunities for direct dialog with employees.

DHL Express

DHL Express Germany introduced a "Cross-functional Day" to increase employee engagement. The day gives all employees the opportunity to take a look at the bigger picture by gaining insights into other areas of the business. They might spend a day with a member of the sales force or with a courier, visit the **DHL Innovation Center** (<http://dsi.dhl-innovation.com/>) or shadow a colleague in our Bonn headquarters. The initiative also strengthens communication and interaction in the organization. The effect of this initiative is reflected in the EOS results for Deutsche Post DHL Express Germany, with a 6 % improvement for the "Employee Engagement" KPI.

Supply Chain

To improve the leadership culture within DHL Supply Chain, a divisional leadership framework has been developed. The framework outlines the global implementation of a leadership program, the definition of senior leadership competencies and the provision of a management coaching toolkit. An initial indication of this training plan's effects can be seen in DHL Supply Chain's 4 % improvement in results for the "Active Leadership" KPI.

DHL Freight

In the context of the communication project "COM COM" (Community Communications), digital information walls were installed in each terminal at DHL Freight in Belgium. All news is compiled, selected and prepared by the local Editorial Board. HR was also involved in this process by giving feedback. The goal of "COM COM" is to inform employees about current and local news, such as ongoing projects or current customers, within their terminal. The project's impact can be seen in the results for DHL Freight, where the figure for the "Communication" KPI improved by 4 % on the previous year.



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Close to the addressee, facilitating dialog: Our employee communication

As well as our Employee Opinion Survey, we make use of a wide range of other channels and instruments to engage our workforce in dialog. We are there, at every stage of organizational change and at important events, with a detailed series of communication activities. Employees without access to electronic media are kept up to date on current developments in the Group by their managers, via written announcements or via digital newssheets on information screens. A selection of our dialog and communication media is outlined below:

Media within the organization***Premium Post***

Premium Post is published eight times a year, with a print run of 400,000, and is aimed at all current and former employees in Germany. Its purpose is to provide information on the organization's wider picture and increase a sense of identification with the organization. A readers' advisory committee, formed in 2010, provides a link between the editorial staff and the readership, enabling the magazine to get closer to its target audience.

Network

Network, our magazine for managers and executives, focuses on issues of strategy, current Group news and best practices, and inspires and channels communication among managers. *Network* is published bimonthly with a print run of 40,000.

Digital newssheet

Our digital newssheet is aimed at employees performing operative tasks who do not have access to email and the intranet. Its purpose is to keep our colleagues in mail centers and terminals informed on current developments in the organization.

Online tools***Intranet***

130,000 employees have access to the corporate intranet and access around 300,000 pages every day. The intranet brings our employees worldwide together in one network and provides vital support for the global exchange of knowledge and information within the Group. Web 2.0 applications such as discussion forums, commenting and voting functions provide additional impetus for dialog.

Extranet

We are setting up an extranet that employees can use from their PC at home or in internet cafés. The extranet is intended to provide employees who do not have a computer workstation with news from around the organization. The extranet will also bring employees together in networks and online communities. As well as information, the extranet will offer service, advice and entertainment.



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Evaluation and feedback

Working out where the interest is

We analyze various feedback channels on a monthly basis to ascertain which topics generate the most interest among our workforce. Our analysis takes a range of feedback types into consideration: Click rates and ratings of articles on the intranet, comments on articles, the “Ask Frank Appel” platform, readers’ letters to our publications and the results of our Employee Trend Monitor.

A direct line to the CEO

In October 2008, we established a direct line to our CEO Frank Appel for our employees’ questions – either via the intranet (“Ask Frank Appel”) or by letter. Since this channel was introduced, employees at all levels in the organization have asked a total of around 1,200 questions. Every response is approved by Frank Appel personally.

Barometer for opinions and trends

Our online survey “Employee Trend Monitor” (EMT) regularly gathers information on the most frequently discussed issues in the company’s divisions and regions. It was conducted nine times in 2010, attracting an average of 2,000 employee responses. The survey is representative of the target group of office employees.

Social media platform

Discussion forums, blogs, virtual networks and communities are continually gaining in importance in many contexts, and companies are no exception: Social media can provide vital leverage for Group-wide cooperation, sharing knowledge and the transformation of our corporate culture. For 2011, we are planning the launch of Web 2.0 applications and instruments in the organization and their integration into the intranet.

“In my view, the employee surveys have done a lot for communication and the exchange of views in the organization. This way, the boss gets to find out a lot more quickly what the mood is on the ground.”

Steffen Hasenpusch, Letter and parcel deliverer, MAIL Germany



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Employee representatives

In our Group, we practice and promote a culture of constructive dialog, both between employees and managers and between executive management and employees' representatives. We respect human rights within our area of influence and operate our businesses in such a way as to make us an exemplary employer. Internationally, we work together with employee representatives and unions in individual countries according to national laws and customs. Additionally, we are engaged in regular dialog with representatives of global labor union associations. In Germany, where around 40 % of our employees are located, we cooperate with works councils in all divisions of Deutsche Post AG and in more than 90 % of our subsidiaries.

Cooperation with employee representatives

We maintain an ongoing dialog in the European Economic Area through our Deutsche Post DHL Forum. We are also an active participant in the **European Union's Social Dialogue Committee for the postal sector** (<http://europa.eu>). At a global level, we align ourselves with the principles of the **United Nations' Global Compact** (<http://www.dp-dhl.com/de/disclaimer.html?ref=URJ%252BgUERGT1bZtvejZqD0EWnpv0MTbyF4S15pL6Ant4%253D#lightbox>) and adhere to the principles of the **1998 Declaration by the International Labour Organization** (<http://www.ilo.org>) on the fundamental rights and principles of work, in line with national laws and customs. Our Group guidelines and principles, including our Code of Conduct, set out important fundamental precepts such as respecting human rights, equal opportunities and environmental protection.

At a central level, we have continued to hold regular meetings with representatives of the Global Union Federations UNI Global Union and the International Transport Workers Federation (ITF) in 2010, to discuss these matters and other issues of general interest within the Group.

Deutsche Post DHL Forum

The Deutsche Post DHL Forum is a joint committee of Deutsche Post DHL employee and management representatives from 29 European countries. Equivalent to a European works council, it promotes direct and open communication across country and language boundaries. Its members work together on the basis of an agreement and are guided by the principle of mutual respect, while remaining aware of the differences in their tasks and interests within the organization. The agreement has proved a success. Due to Deutsche Post DHL's complex, frequently changing structure, the Forum's organizational structure requires adaptation from time to time to reflect developments in the Group. Responding to such a need, we have established business committees, which devote themselves exclusively to issues arising in the relevant areas of the business.

"Deutsche Post DHL is only as strong as its employees. Continuous, open and respectful dialog is the key to long-term success."

Elmar Kallfelz, Chair, European Works Council Forum and Deutsche Post DHL Forum, and Jutta Rawe-Bäumer, Chair, European Management Forum and Deutsche Post DHL Forum

Collective bargaining agreement Deutsche Post AG, valid until 2011

In 2009, we negotiated an important collective bargaining agreement with the trade union ver.di on behalf of the about 130,000 employees of Deutsche Post AG, with the exclusion of compulsory redundancies extended until 31st December 2011. We also agreed on a number of measures to reduce costs. In the light of falling shipping volumes in our MAIL business, this marks an important step in securing the future of Deutsche Post AG and the Group as a whole.

2010 Collective bargaining negotiations at DHL subsidiaries in Germany

Intensive and constructive negotiations in the 2010 wage rounds led to sustainable solutions at various subsidiaries of Deutsche Post DHL in Germany. The wage agreements are notable for their lengthy terms (26 months), which create planning security for the company.

- At DHL Solutions, Deutsche Post Real Estate Germany and Deutsche Post IT Services, employees received a one-time payment in 2010, as well as a wage increase of 2.1 % as of 1st March or 1st April 2011, and a 1.5 % increase as of 1st March 2012.
- For employees at DHL Express Germany GmbH, wage increases of 2.0 % as of 1st May 2011 and 2.1 % as of 1st June 2012, in addition to a one-time payment, were agreed.
- Employees of Deutsche Post IT BRIEF GmbH and DHL Vertriebs GmbH & Co. OHG got a one-time payment in 2010 and will receive wage increases of 2.1 % as of 1st May 2011 and 1.5 % as of 1st May 2012.

Diversity and equal opportunities

As an organization active across the globe, with around 470,000 employees worldwide, we do not discriminate against employees on the basis of their nationality or ethnic background, gender, religious or personal beliefs, age, sexual orientation and identification or disability.

Our workforce is diverse – and so is our customer base. We place a high value on managing diversity professionally and on a working environment that is free from discrimination. Only with such an atmosphere can we secure the highest levels of productivity, creativity and efficiency. Diversity management is an essential and integral element of our employment policy and firmly rooted in our **Code of Conduct** (http://www.dp-dhl.com/en/about_us/code_of_conduct.html) and corporate culture.

Our diversity strategy

Our diversity strategy is closely linked to our **Strategy 2015** (http://www.dp-dhl.com/en/about_us/strategy.html) for the Group. As a people-intensive business, we rely on retaining experienced specialists and other employees, and gaining new talent. We want to become the Employer of Choice in our industry, and it is impossible to overstate the value of our workforce's diverse potential as the key resource for our organization's economic success. It is in the light of these issues that we have, over the previous year, continued to develop our diversity strategy, set priorities and launched projects to work towards them. Our emphasis is on demographic developments, equality of opportunity, supporting women's careers and balancing work with family life.

Training and awareness

Promoting mutual respect and acceptance is the central aim of diversity management. Deutsche Post DHL frequently conducts training on these issues. For example, our online training on the Code of Conduct has already been completed by 12,300 employees.

The topics of mutual respect and acceptance are also integral parts of our induction events for new employees and our workshops for our 3,344 vocational trainees in Germany on "Living with One Another at Work" (Miteinander in der Arbeit leben). Additionally, we regularly support an activity day on human rights, mutual respect and diversity organized by our youth and trainees' council. 2010's event was entitled "MOBBING + WEGGESCHAUT = MITGEMACHT" (which equates to "standing by and watching others be bullied is the same as joining in"). Approximately 150 trainees took part in the event, demonstrating a commitment to human rights and learning about one of our Group's most important principles, "Respect and Results".

Working without prejudices

In 2007, we signed the "Charter of Diversity" (<http://www.dp-dhl.com/de/disclaimer.html?ref=URJ%252BgUERGT0nwLy8xww%252FX%252F56eo2yJkGbTTvppRYSHMbVufZvnZv%252BIQ%253D%253D#lightbox>) issued by the German government. As a signatory, we express our fundamental commitment to fairness and to respect for people in our organization and have pledged ourselves to mutual respect, to promoting equal opportunities and to diversity. Our signing of the Charter is part of our commitment to maintaining a working environment for our employees that is free from prejudice and marginalization of minorities.

Women

Our diversity strategy also aims at increasing the quota of female managers. We have prepared a catalog of appropriate measures that will be enhanced and expanded in 2011. Activities include mentoring programs, networking events and initiatives to promote the compatibility of career and family.

We have joined forces with other organizations in the European project “INNOVATIVE! Leading together with women” (“INNOVATIV! Gemeinsam führen mit Frauen”) and revised our “International Mentoring Program” in 2010, which addresses talented women of various nationalities across our divisions.

In 2010, 36.5 % (2009: 37.4 %) of our global workforce were women and the proportion of female managers at the senior level was 14.6 % (2009: 15.6 %).

[PwC»]

Workforce by gender (Deutsche Post DHL) (as at 31st December)¹	2008	2009²	2010
Men	62.3 %	62.6 %	63.5 %
Women	37.7 %	37.4 %	36.5 %

¹ According to a survey. Represents 2010 98.2 % (2009: 92.7 %) of employees (headcount).

² Restated after system change 2009.

Note: The ratio between male and female employees' pay is not recorded at Group level.

Workforce by gender in top management (Deutsche Post DHL) ¹	2008	2009	2010
Men	86.5 %	84.4 %	85.4 %
Women	13.5 %	15.6 %	14.6 %


¹ Based on first- and second-level executives.

Note: The ratio between male and female employees' pay is not recorded at Group level.

Workforce by gender recruits (Deutsche Post AG) ¹	2010
Men	59 %
Women	41 %

¹ Based on all new recruits at Deutsche Post AG (excl. temps).

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International Mentoring Program

Deutsche Post DHL's International Mentoring Program (IMP), initiated in 2007, is a one-year program developed specifically for high-achieving graduates who are interested in an international career across the organization.

In the light of various cultural and demographic issues, such as a low proportion of women and too little diversity of nationalities at management level, the IMP was revamped in 2010. The IMP is a Group-level initiative and a key factor in driving the further development of Deutsche Post DHL's corporate culture.

Equality of opportunity at work – DHL Express Korea receives award

DHL Express Korea has received an award from the labor ministry of the province of Seoul in South Korea as one of the best places for female employees to work. Every year, the ministry commissions research on the number of economically active women in the region. The studies are intended to show which organizations are particularly notable for providing women with opportunities. One of the latest studies focused on transport companies with workforces of more than 1,000.

The study shows that the proportion of female employees at DHL Express Korea is significantly higher than is typical for the industry – 25.83 % as opposed to 6.38 %. The difference becomes even more marked when looking at the proportion of executives who are female: 11.11 % of managers at DHL Express Korea are women, while the average at the other companies surveyed was just 0.96 %.

These results clearly show that DHL Express Korea provides employees with equal opportunities regardless of their gender and that it has invested a great deal in creating a family-friendly working environment for its female employees. The company encourages women to use their maternity leave and provides nursing rooms for them.

"We're proud of employing more women than other organizations in our industry. Our female employees make a substantial contribution to the success of our company; for this reason, we will continue to employ women and support them in their careers."

DooSuk Park, HR manager, DHL Express Korea

EU project "INNOVATIVE! Leading together with women"

In 2010, as in previous years, promoting women's advancement in the organization was a key element of our diversity management. As a part of this commitment, Deutsche Post DHL is taking part in a two- to three-year pilot project, initiated by German companies and business leaders, and with funding from the EU, to focus on increasing the number of women in executive and management positions.

The project, entitled "INNOVATIVE! Leading together with women", focuses upon corporate culture. Its objective is to shape procedures, behavior, decision-making processes and management styles in such a way as to move beyond quota systems and empower men and women to "lead" together.



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An environment free from discrimination

Equality of opportunity is essential not only for current employees, but also in the recruiting process. In view of the way demographics and the labor market are changing, a people-intensive organization like ours cannot afford or want to exclude potential employees and specialists. Our applications management concentrates only on the requirements for each job we advertise, with advertisements written in a neutral way and applicants selected solely on merit.

Our fundamental aim is to attract a wide range of applicants. To achieve this objective, we are taking part, along with four other organizations and the German Federal Ministry of Family Affairs, in a project that is currently the only one of its kind in Germany: For one year, we will work with anonymous applications to recruit junior staff and vocational trainees. We want to observe the effects of this process, which eliminates a number of irrelevant selection criteria, in practice and test if this process could help us to tap into new groups of applicants.

Local recruitment

It is in the nature of our organization, and follows on naturally from how we see ourselves as a business, that we recruit the majority of our executives and employees locally. Many of our employees are customer-facing and therefore need to be able to speak the local language and understand the local culture. Our workforce reflects the national and ethnic diversity of our business. We do not, however, pursue a formal strategy for recruiting locally based managers and executives.

[PwC»]

Citizenship of top management ¹	2010
German	47.6 %
Non-German	52.4 %

¹ Based on first- and second-level executives.

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Anonymous application process

A study conducted by the Institute for the Study of Labor (IZA) in Bonn revealed that an applicant giving a Turkish-sounding name when applying for an internship was on average 14 % less likely to be called for interview than other candidates. In small companies, the chance of an interview was reduced by 24 %.

Responding to these startling results, Germany's Federal Anti-Discrimination Agency (ADS) launched the first pilot project on anonymous application processes. Deutsche Post DHL, four further organizations and the Federal Ministry of Family Affairs are participating in the project and will work with anonymous applications in recruiting junior staff and vocational trainees for one year. During this period, applications submitted by this group of candidates will contain no information on the applicant's name, age, gender, ethnic background or marital status – and, of course, contain no photograph. We hope the pilot project will give us insights into whether such an anonymous process will attract a greater number of potential recruits and perhaps applicants who might not have applied to us previously.



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Deutsche Post DHL views diversity among our workforce as a matter of long-term economic success. Demographic change and the need for a balanced workforce mean we cannot afford to neglect particular groups of people as potential recruits. We see the pilot project as an opportunity to test whether our current application management systems require modification and, if so, how.

“Deutsche Post DHL aims to face the challenges posed by demographic change and a lack of skilled labor by attracting a wide range of applicants. Diversity enriches our organization. We currently have employees of more than 150 nationalities in Germany alone.”

Susanna Nezmeskal-Berggötz, Head of Department Corporate Culture, Corporate Center, Bonn, Germany

Sexual orientation

For Deutsche Post DHL, living diversity means not just accepting different ways of thinking and living, but rather actively supporting them and harnessing them as creative potential for our organization. Our network for gay, lesbian, bi- and transsexual employees (GLBT) RainbowNet, established in 2009, is an example of this attitude put into action.

RainbowNet/GLBT ranking

Homosexual employees are a part of our organization, just like all others. Therefore, in Germany in 2009, we launched RainbowNet, a network for lesbian, gay, bisexual and transsexual employees at Deutsche Post DHL. The network has now begun assisting our social advisers on issues related to homosexuality. In the future, we plan to expand RainbowNet, transforming it into a company-wide international network.

“Company-wide GLBT networks increase acceptance of and respect for lesbian, gay, bi- and transsexual employees, creating a daily working environment free of discrimination.”

Albert Kehr, Head of Diversity, Völklinger Kreis e.V., Berlin, Germany

People with disabilities

We operate a policy of inclusion of employees with disabilities, conducting regular working meetings for HR managers on this issue. Around 8.0 % of employees at Deutsche Post AG have a significant disability, which is considerably higher than the comparable figure for the German private sector. As long ago as 2003, Deutsche Post AG concluded a voluntary general company agreement for the inclusion of people with significant disabilities in the workforce.


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Employees with disabilities (Deutsche Post AG)¹	2008	2009	2010²
Number of employees	11,598	12,141	12,758
Annual employment rate (%)	7.2 %	7.5 %	8.0 %

¹ According to German social law (Sozialgesetzbuch IX)

² As at 22nd March 2011.

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Inclusion of disabled employees

We always welcome good ideas for integrating people with disabilities fully into our workforce. In November 2010, we equipped new reading and video-encoding machines with facilities that enable them to be used by deaf as well as hearing employees. Such innovative design of people's workplaces is just one example of the ways in which we make it possible for people with disabilities to take an active part in working life.

"We are very happy with our work. It is important to us that we are able to tackle the same tasks as our hearing colleagues."

Anja Peitzmeier and Sylvia Spilker, employees, Deutsche Post AG mail center Herford, Germany

Families

Balancing a career with family life is a challenge for both men and women, and one that is impacting the world of work. Deutsche Post DHL, as a family-friendly employer, supports its employees in meeting this challenge with a wide range of measures.

Family-friendly: The way forward

Deutsche Post DHL has launched a partnership with pme Familienservice GmbH, which offers its services to all employees across Germany. Services available include advice on childcare, assistance with finding childcare places, childcare in emergencies and exceptional situations, and vacation programs.

In Bonn, we have teamed up with pme Familienservice to open and support two day-care centers for small children and one for pre-schoolers, which provide reliable childcare for our employees, especially those with younger children. A family portal on the intranet, serving as a platform for information, communication and networking among parents in our organization, complements the "helping hand" we extend to employees with children.

[PwC»]


Work-life balance (Deutsche Post AG) (as at 31 December)	2008	2009	2010
Maternity/paternity leave days (headcount)	2,721	2,302	2,036
Other family leave days taken (e.g. unpaid holidays) (headcount)	2,673	2,559	2,419
Unpaid leave overall (headcount)	7,643	7,014	6,607
Part-time employees (headcount)	71,934	67,010 ¹	63,126 ¹
Part-time employees (%)	40.0 %	38.4 %	36.9 %

¹ Excluding employees in partial retirement in the release phase.

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Demographic change

In view of demographic changes, we want to appeal to the full range of potential applicants to our organization. We are aware that the percentage of older people in the population continues to rise and that this will have an effect on our employee structure. At present, the average age of Deutsche Post AG employees is 44.

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We are conducting a pilot project to analyze how this is changing recruitment processes and the need for initial and further training, and will implement measures on the basis of the results. In cooperation with the University of Münster, we also examined age-related differences in motivation and work satisfaction. The results have provided us with valuable information for structuring HR management to suit different ages and for facilitating working in mixed-age teams.

[PwC»]

Age structure (Deutsche Post AG) (as at 31 December)	Men	Women
up to 20	1,990	1,277
21–30	11,160	6,619
31–40	17,101	15,783
41–50	34,006	35,580
51–60	24,214	22,411
61+	2,038	1,082
Average age	43.6	44.5

Average age (Deutsche Post AG) (as at 31 December)	2010
	44.0

[«]

Responding to issues of age in HR management

In 2010, we worked with organizational psychologists at the Psychological Institute of the University of Münster to investigate the effect of satisfaction with work, motivation to work and emotional stability in different age groups, and what conclusions could be drawn from the results in terms of responding to issues of age in HR management.

On the basis of the study, carried out in several European countries as well as in South America and the United States, we established three main areas for action:

- making allowance for changing values and diverse ways of living in younger generations
- consciously forming and leading heterogeneous (mixed-age) teams
- firmly establishing family-friendly attitudes and policies in corporate culture.

These conclusions have been incorporated into our diversity strategy for the coming years, with the aim of establishing and safeguarding sustainable HR policies with particular regard to demographic developments.

“For organizations, demographic change isn’t just a challenge, but also an opportunity to implement innovative approaches. The University of Münster project reveals a perspective on employees’ motivation and workload that is differentiated according to the employees’ age, and helps organizations access new ways of bringing their HR strategy into line with the needs of the future.”

Professor Dr. Guido Hertel, organizational psychologist, Westfälische Wilhelms-Universität Münster, Münster, Germany



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Health management

The success of our Group is based on the health, occupational safety and well-being of our employees; it is therefore essential that we protect and promote their ability to perform. Our approach to health and safety is holistic, drawing together issues of physical, mental and social health. Our Corporate Health Policy, supported by the Deutsche Post DHL Forum in the joint statement on “Health and Safety at Work”, sets health and safety standards for the whole Group.

The health promotion management system we have agreed upon with our works council is valid for our employees in Germany, and hence covers about 40 % of our global workforce. In keeping with our aim to promote health and well-being at work, we provide our employees with a healthy working environment and organize activities and campaigns to motivate them to adopt a healthy lifestyle.

Corporate Health Policy

Deutsche Post DHL introduced its Corporate Health Policy in 2007. Based on our Code of Conduct, it defines the Group’s approach to health management and stipulates clear principles for a Group-wide structured health management system. The Corporate Health Policy defines Key Performance Indicators and refers to the international standards and principles stipulated by the **World Health Organization (WHO)** (<http://www.who.int>), the **Centers for Disease Control and Prevention (CDC)** (<http://www.cdc.gov/>) and the **European Network on Workplace Health Promotion (ENWHP)** (<http://www.enwhp.org/>), and set out in documents such as the **UN Global Compact** (<http://www.unglobalcompact.org/>) and the **Luxembourg Declaration on Workplace Health Promotion** (http://www.enwhp.org/fileadmin/rs-dokumente/dateien/Luxembourg_Declaration.pdf).

Health management at Deutsche Post DHL

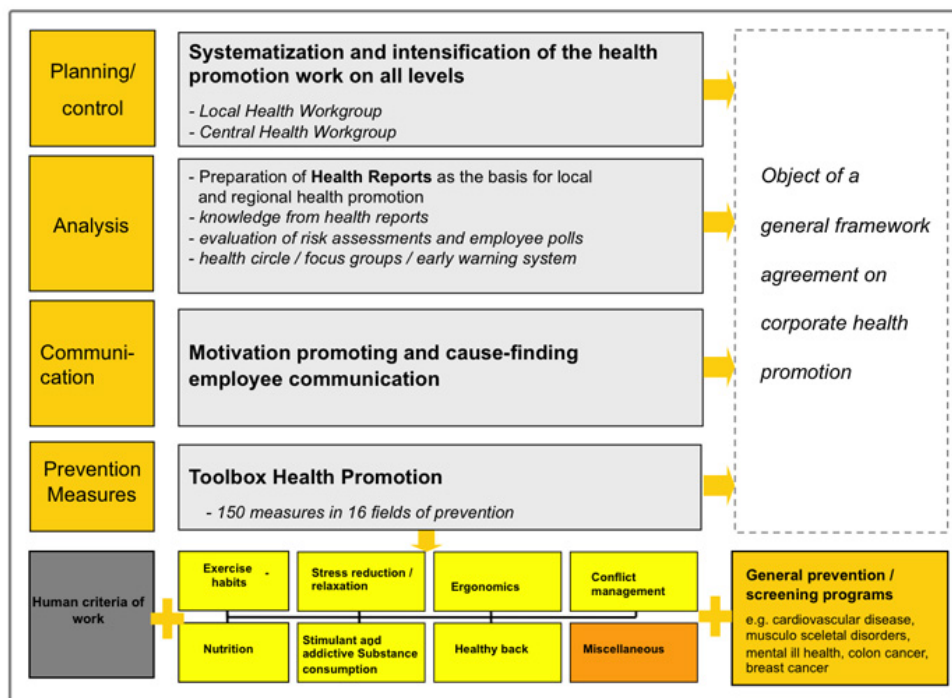
For us, health management at Group level means motivating our employees to adopt a healthy lifestyle and creating a healthy working environment. In practice, this translates into the thorough provision of advice and support for the individual’s health through health promotion measures. These include check-ups and coaching on a healthy diet, a balanced regime of physical exercise, and individual stress management, as well as structuring the workplace in a way beneficial to health. When ascertaining occupational health risks, we refer to regular health reports, employee surveys, results of risk assessments and health working groups. In Germany, central and local health working groups coordinate workplace health promotion. Through the medium of our “**Health Promotion Toolbox**” (<http://www.dp-dhl.com/de/karriere/managementexperten/warumdphl/gesundheit.html>), we provide specific measures on important health-related topics such as exercise habits, ergonomics, nutrition, back care, stress reduction and relaxation. To round off our range of measures, we provide general prevention and screening programs relating to issues such as cardiovascular diseases, cancer or mental health issues.



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Effective health promotion needs a systematic approach



Group-wide standards

Occupational Health and Safety Assessment Series OHSAS 18001 is an international occupational health and safety management system specification. It has been defined as the Group-wide standard in our Corporate Health Policy and is intended to form the basis for the implementation of activities in occupational health and safety across the organization. We aim for continuous and sustainable improvement in this area according to the OHSAS standards. Certifications to the OHSAS standards have already been attained in some divisions, such as in the International Mail Center (IPZ) in Germany and in Express UK. DGF Industrial Projects and DGF Americas are currently working on adjusting their processes to attain certification in Asia-Pacific in the first quarter of 2011 and for the Americas in the second quarter.

Measuring quality worldwide

Thanks to the implementation of a board decision on “The launch of systematic health management and prevention activities” and our health promotion measures, we successfully reduced sickness rates in Germany over a period of 10 years (1995–2006) from 10.0 % to 6.1 %. Since 2007, however, we have been observing a trend toward increased sickness rates in Germany, which, taking into account the effects of changing age structure, is in line with general developments in the country. In 2010, sickness rates in Germany rose to 7.4 % (2009: 6.9 %) while the worldwide sickness rate across the Group decreased to 5.4 % (2009: 5.6 %).



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Sickness rate (Deutsche Post DHL Germany) (annual average)¹

2008	6.6 %
2009	6.9 %
2010	7.4 %

¹ According to a survey of organizational units in Germany.
The feedback covered of 99.7 % (2009: 99.9 %) all employees (headcount) in 2010.

Sickness rate (Deutsche Post DHL) (annual average)¹

2009	5.6 %
2010	5.4 %

¹ According to a survey of organizational units.
The feedback covered 67.3 % (2009: 62.2 %) of all employees (headcount) in 2010.

“To me, health is one of a company’s most important assets. Only companies that can consistently and successfully manage this health parameter across the globe will succeed over the long term, which is why I’m all the more pleased that Deutsche Post DHL is just such a company.”

Amadou Diallo, CEO – Africa & South Asia-Pacific, DHL Global Forwarding

Group impresses with health management***At Group level***


In 2010, Deutsche Post AG was presented with the “Corporate Health Award” in recognition of its “excellent embedding of health management in all corporate processes and its corporate and leadership guidelines”. The award is given under the auspices of the Federal Ministry of Labour and Social Affairs and the Initiative for a New Quality of Work (“Initiative Neue Qualität der Arbeit (INQA)”) by the business publication *Handelsblatt*, EuPD Research and TÜV SÜD Life Service (http://www.eupd-research.com/view/PressRelease/document/101124_dp_PM_Gewinner_CHA.pdf).

For the third time in a row, 2010 saw Deutsche Post DHL win the “German Enterprise for Health Award”, which is presented by the European Commission and the German Federal Association of Company Health Insurance Funds (BKK-Bundesverband) as part of the European campaign “Move Europe” (<http://www.move-europe.de>). The award recognized Deutsche Post DHL’s “outstanding commitment to health management at work”.

The special award on mental health presented in the Move Europe campaign also went to Deutsche Post DHL in 2010.

In the divisions

DHL Hong Kong was presented with a Gold Award as part of the Hong Kong Federation of Insurers Awards for Excellence at the ninth Hong Kong Occupational Safety & Health Award Forum (<http://www.oshc.org.hk/eng/promote/promote01.asp>) in 2010.

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The Hong Kong Occupational Safety and Health (OSH) Award, a partnership between the Occupational Safety and Health Council, the Ministry of Labor and 13 other organizations, is the largest OSH initiative for the promotion of safety awareness among employees. The award recognizes organizations' exceptional performance in this area and firm commitment to improving health and safety at work. For DHL, the OSH Award marks a further milestone on our journey to continuously improve and integrate strategies on occupational health and safety.

Working groups on health in Germany

In Germany, our "Health Working Groups" launch between 30,000 and 40,000 health promotion activities annually, on issues such as ergonomics, exercise, nutrition and stress reduction. These working groups are based in the businesses: Executives, employee representatives, company doctors, occupational health and safety specialists, employee support services and other experts cooperate closely to secure a healthy working environment for all. They pool their experience and expertise to develop strategies, initiate change and encourage employees to take responsibility for their own health. The working groups and local health circles reach almost all employees in Germany, which is 40 % of the worldwide workforce.

Pandemic planning

The major concerns of our pandemic planning over the past year have been protecting our workforce from infections and preparing for keeping our business going in an emergency. In 2010, we undertook a systematic analysis of our experiences in the context of a "Pandemic Planning Review Workshop". Corporate Audit conducted an internal assessment across the Group, with the objective of ensuring the quality of our management systems and planning. In the future, we plan to extend our cooperation with Corporate Risk Management and Corporate Security to cover chronic illness and infections, in order to secure ourselves still more systematically against foreseeable health risks.

International participants in the "Pandemic Planning Review Workshop" in September 2010 in Bonn.

Fighting HIV/AIDS

Deutsche Post DHL, as a signatory to the UN Global Compact (<http://www.unglobalcompact.org/>), has stated its commitment to achieving the Millennium Development Goal of fighting HIV, AIDS, malaria, tuberculosis and other infections. As a member of the Global Business Coalition on HIV/AIDS, Tuberculosis and Malaria (GBC), (www.gbimpact.org) we are part of the effort to defeat the HIV/AIDS epidemic and support attempts to slow the spread of the disease and reduce its effects on the world of work. In 2007, we developed a guideline on HIV/AIDS in cooperation with the GBC. Especially in severely affected countries such as South Africa, Estonia and Mexico, we provide education and support via appropriate programs and measures. We also mark World AIDS Day by providing our employees around the Group with information via our health intranet portal.



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Deutsche Post DHL Health Award 2010

The spread of chronic diseases is described in the World Economic Forum's Global Risk Report 2010 as one of the top three risks to the global economy. Deutsche Post DHL acknowledges the importance of this issue by means of a diverse range of activities and measures. As in previous years, 2010 saw the awarding of prizes by Board Member Walter Scheurle to the best examples of health promotion activities within the Group:

- DHL Express Hong Kong received recognition for its holistic health promotion program with an emphasis on employees' lifestyles and the organization of working spaces to promote health.
- DHL Express Korea was awarded a prize for a systematic health promotion program, closely linked to further elements of our corporate strategy, First Choice and EOS. In the program, an analysis of health risks is followed by the response to the risks identified, through the better organization of workplaces, prevention-oriented behavior and strengthening employees' social networks.
- DHL Supply Chain UK was commended for its "LifeCycle" project, in which employees were motivated to adopt a healthy lifestyle, increase engagement and collaborate cross-divisionally in accordance with the "ONE DHL" principle. The initiative also raised money for a UNICEF project in India.
- DHL Express Thailand received an award for the introduction of a systematic and continuous health promotion program, embracing issues of prevention through individual behavior and the provision of health-promoting workplaces. Additionally, every business unit with more than 50 employees elected a Health and Safety Committee.
- DHL Global Forwarding South Africa developed a health promotion program on HIV/AIDS that encompasses holistic and problem-oriented measures for the employees and their families, and which also reaches out into society.
- DHL Express Norway won the innovation award for the development of a DHL Roadside Restaurant Guide for DHL drivers. The guide assists our employees as well as other interested parties in finding healthy and value-for-money restaurants in Norway.
- Finance & HR Operations Germany at Deutsche Post AG was commended with a special award for its exemplary integration of blind and visually impaired employees in the workplace.
- The MAIL branch in Kiel, Germany, received an award for its holistic health promotion program with customized measures for their very diverse workforce.

"Check-up 35 at work", Germany

Every person in Germany who is covered by statutory health insurance and has reached the age of 35 is entitled to a free "Check-up 35" every two years. We add to this service for our employees, regardless of their age, by offering them comprehensive screening for, among other things, cardiovascular diseases, musculoskeletal disorders, mental health issues, and difficulties with sight and hearing. "Check-up 35 at work" is intended to motivate our employees to become aware of the individual risks to their health and participate in activities aimed at prevention, or obtain specialist medical advice if necessary. The objective of this service is to maintain our employees' ability to remain healthy throughout their working life. The company doctor makes practical recommendations to individual employees about courses of action to pursue.



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“Go by bike”

In 2010, Deutsche Post DHL was commended as a “cycling-friendly employer” for its “Go by bike” initiative by the German Environmental Management Association (B.A.U.M) e.V. and the Federal Ministry of Transport, Building and Urban Development. “Go by bike” is not a stand-alone project, but rather a comprehensive concept to encourage employees to get mobile on their bikes instead of using their cars. It encompasses a cycling-friendly infrastructure, employee motivation, and services and special offers for cyclists. In 2010, through the “Go by bike” initiative, employees from 17 countries cycled a total of 900,000 km¹ to work and back rather than taking their cars. In this way, they improved their personal fitness and saved approximately 153 tonnes of CO₂ (2009: 562,000 km/100 tonnes of CO₂).

¹ Saved kilometers driven by car or additional kilometers by bike, according to a survey of all participating employees (online questionnaire). Calculations were based on the assumption that a small to medium-sized vehicle consumes 7.1 l petrol per 100 km, producing 17 kg CO₂ (Source: BMVBS).



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Occupational safety

To become the Employer of Choice in our industry, we engage in measures to achieve better working conditions for people employed in the transport and logistics industry and promote their health. We provide our employees with a safe and healthy working environment, and strive to avert risks, such as accidents or damage, which can arise from shipping and logistics processes. Our main focus is on all issues related to occupational safety, hazardous goods management and safety in road and air transport. We rely on KPIs, standardized processes and qualified employees across our divisions to prevent or minimize safety risks, avoiding harm to our employees or third parties.

Core areas of occupational safety

Measures are based on the health and safety standards adopted in our 2007 Corporate Health Policy, and the services we provide include safety-related technical consulting in all issues around occupational safety. We conduct checks at places of work, support occupational safety briefings, conduct risk assessments and analyze accidents that occur at work and on the way to and from work. We then provide suggestions for solutions and propose preventative measures on the basis of the results gained from these processes. Furthermore, we provide advice to our customers on issues of fire prevention, both at work and in relation to organizational structures. Our portfolio of services in this area is completed by further expert consulting services such as support in implementing management systems (e.g. occupational safety management system according to OHSAS 18001), advice on selecting and using personal protection equipment or on the management of dangerous substances.

Our international companies made good progress in 2010. DSC Finland, Hubs & Gateways UK and DGF CENAM, among others, are now certified to OHSAS standard. Hubs & Gateways Italy embarked on the first stage of certification in November 2010.

In Germany, we established a quality management system as defined in DIN EN ISO 9001: 2008. This is to the benefit of approximately 180,000 employees at Deutsche Post AG and its subsidiaries, or about 40 % of our global headcount. In Germany, important issues of occupational safety are also dealt with in agreements with works councils and labor unions.

Global Road Safety Initiative and European Road Safety Charter

Every day, thousands of our employees participate in traffic movements, either on foot, on bikes or in motor vehicles. As one of the world's largest logistics organizations, we are a significant factor in international transport of goods. For this reason, we are committed to creating more safety in road traffic and, among other things, support the objectives of the **European Road Safety Charter** (<http://www.erscharter.eu/node>) through our Global Road Safety Initiative, launched in 2007.

The Group-wide Road Safety Code is the central component of this program. It consists of fundamental, internationally applicable rules for responsible and safety-oriented behavior in road traffic. At Deutsche Post DHL, we:

- exercise a sense of responsibility in road traffic
- respect and follow traffic regulations
- drive defensively, look ahead and adapt our driving to traffic conditions

- are considerate of all traffic participants
- pay particular attention to children and other weaker traffic participants
- never take part in road traffic under the influence of alcohol or other drugs
- pay attention to the roadworthiness of our vehicles.

In 2010, we reaffirmed our voluntary undertaking, given in 2006 as part of our commitment to the European Road Safety Charter, to inform all employees proactively about road traffic issues and request their compliance with the Road Safety Code.

Education, training and prevention

We provide regular advice to our employees on important topics in safety at work, such as dangers and hazardous substances, changes in construction and fire prevention, ergonomics in the workplace and the organization of safety at work.

We keep our staff informed of developments in traffic safety using online media channels and training measures on such topics as road safety work, addiction or accident prevention. In 2011, we will implement a new web-based training unit, “Global Road Safety – More than exemplary”, which will raise awareness of the risks of road traffic among our employees and encourage them to behave accordingly. The program is specifically tailored to the personal and business environments of our employees.

Aircraft safety at DHL

Nowhere is the safety of our employees as crucial or as regulated as in air transport. Bearing the potential risks and the relevant regulations in mind, we prepare best practice procedures and conduct audits to ensure they are implemented and followed. Our top priority is to protect our employees from being harmed, and to prevent valuable assets such as aircraft from being damaged. Our efforts for aircraft safety focus on managing the Sable weight and balance program – the process of ensuring that our aircraft are loaded safely and limits not exceeded – and implementing safety management systems for airlines and ground operations. We also prepare for worst-case scenarios, for example by defining procedures to be followed in the event of an aircraft incident or accident and practicing them at regular intervals.

We operate a fleet of 147 aircraft and work with numerous airlines as part of the global DHL network. It is one of our most important future tasks to establish uniform, internationally applicable safety standards where no universal standards exist. We are working to achieve this aim and cooperate closely with trade associations such as IATA, whose working groups are attended by Deutsche Post DHL representatives.

“We will strive to protect our staff, our customers’ freight and our assets through a ceaseless commitment to the highest safety standards and the adoption of practices which emphasise safety as a paramount personal and corporate responsibility.”

Kim Melville, Head of Global Airside and Standards, Aviation, EXPRESS Global

Dangerous goods management

As a leading logistics company, we are also specialized in safely and carefully handling goods and substances classified as dangerous. The utmost diligence and stringent risk management ensure that potential risks to people, the environment and important public facilities are reduced to a minimum. In doing so, we base our approach on international standards and comply with the **Recommendations on the Transport of Dangerous Goods Model Regulations** (http://www.unece.org/trans/danger/publi/unrec/rev13/13nature_e.html) issued by the United Nations.

Twice a year, we organize network meetings on dangerous goods management in Germany. These meetings provide experts with an opportunity to share success stories and develop new approaches.

Our global occupational safety network

Our international occupational safety network promotes cooperation and communications between the Group's occupational safety experts. The network consists of about 200 members from 63 countries and regions who are involved in occupational safety at an operational as well as strategic level. A platform integrated into our corporate intranet allows for sharing information and best practice. It gives employees the opportunity to discuss occupational safety issues, get information on current campaigns, view the accident database, and download presentations and training documentation.

In Germany, we take a different approach. Twice a year, the Group employees responsible for occupational safety in Germany meet to share their experiences on issues such as accident prevention and accident rate reduction, effective preventative measures and accident rate reporting.

Trucks & Child Safety (TACS)

Trucks and children are a potentially dangerous combination. To teach children to perceive these dangers and respond by taking care, the DHL UK Foundation and DHL employees operate the national safety education program Trucks & Child Safety (TACS), designed to make children aware of the dangers posed by larger vehicles when close to road traffic. The program doesn't limit itself to theory, but instead uses a real truck to demonstrate to the schoolchildren how such a vehicle can be a danger to them. The project's educators are DHL employees who carry out this task on a voluntary basis and receive training for the program in one-day seminars. The 300 volunteers have been very busy in the UK in 2010, giving 28,000 children aged between 7 and 11 reality-based traffic education free of charge.

DHL SUPPLY CHAIN tests telematic systems

Safe and environment-friendly driving is the goal of a pilot project launched by DHL Supply Chain branches in the United States and the United Kingdom. During a trip, modern trucks generate a lot of data, about fuel consumption and driving behavior for example, that can be useful in furthering this aim. DHL Supply Chain runs projects in the United States and the UK to analyze how these data can be used more effectively to support drivers during their work and to identify opportunities for training programs. Approximately 150 heavy trucks have been equipped with "black boxes" so far, and initial insights from this pilot project are expected in 2011.

“Driver of the Year” in the United Kingdom

If our vehicles are to take part in road traffic safely, our drivers need to have excellent skills and competencies. Eighteen drivers from DHL Supply Chain UK competed for the coveted award “Driver of the Year” in the Bruntingthorpe Aerodrome, after being selected for their excellent performance during 2010. Drivers had to participate in a 26-mile test drive, complete a questionnaire and perform challenging driving maneuvers. Andrew Letten won the thrilling final.

Dean Wyatt, Business Director, DHL Supply Chain UK, was happy: “Our drivers are committed and professional workers. This is proved by their high level of driving performance.” The final was combined with a family day for all employees, and a total of 150 visitors enjoyed the range of other attractions.

Children of Spanish employees picture road safety

DHL Express Iberia invited the children of its employees to take part in a picture competition under the motto “Road Safety and DHL”. Some 50 children took up the challenge, inspired by the *Road Safety Coloring Book* published by Occupational Safety, which is also available in a Spanish-language version. Children competed in various age groups, and the judging panel had a tough job choosing the winners from all the pictures submitted. The three first prize winners were presented with a helmet and other useful safety accessories for their bikes.

Employees at our Headquarters in Bonn had the chance to admire the pictures at a road safety event in the Post Tower Lounge and, as a special reward for the children’s work, the Occupational Safety unit at Deutsche Post DHL gave bike helmets bearing our corporate colors to all participants.

Cooperation with associations and expert organizations

To extend and advance our networking activities with other players in the field of road safety, we cooperate closely with associations and expert organizations, including the World Health Organization (WHO), the German Road Safety Council (DVR) (<http://www.dvr.de>) and the Hannelore Kohl Foundation (<http://www.hannelore-kohl-stiftung.de/index.html>). Our cooperation with these organizations focuses on sharing information, experience and best practices. We draw on the technical expertise of our partners on the subject of road safety, in particular for developing company-specific programs and campaigns. In return, we contribute our experiences in implementing active, international prevention measures in the transport and logistics industries, and promote the further expansion of an overarching road safety network.

More safety for children

How we deal with the issue of road safety for children is a prime example of the social commitment of Deutsche Post DHL. Our Group has been closely cooperating on this subject with the German Road Safety Organization (Deutsche Verkehrswacht e. V.) (<http://www.deutsche-verkehrswacht.de>). However, we want to further expand our commitment, as the accident rates for young traffic participants are still alarming: In 2009, about 30,000 children were injured on the roads in Germany, and 90 children under 15 years of age died.

Bearing these figures in mind, in 2010, we supported an eye test campaign organized by the Panel for Good Eyesight and the publication of a road safety coloring book in cooperation with the German Road Safety Organization. The coloring book *"We see the world through the eyes of a child"* was specifically prepared for young children, showing everyday situations in road traffic and giving children useful tips on how to behave correctly. We provided the German Road Safety Organization with 150,000 books free of charge.

Safety on the go

Two campaigns focused on safety in road traffic in 2010. Just in time for the summer vacation in Germany, Occupational Safety at Deutsche Post DHL published information material on the issue of "Active breaks". Within the context of the Global Road Safety Initiative, the material dealt with the risks of driver fatigue. An attractively designed flyer gave tips on how to prepare for long business or personal trips and information on relaxing exercises that can easily be done on the go.

Another national campaign was launched in autumn 2010, regarding the safety issues surrounding delivering mail and shipments. The campaign was developed by Occupational Safety at Deutsche Post DHL, in close cooperation with the MAIL division, and aimed at raising awareness among employees about potential risks.

"Accidents don't just happen; somebody causes them. We aim at sensitizing our employees to recognize risks and advancing their safety awareness. This also involves setting an example to the youngest participants in traffic."

Rainer Armbruster, Vice President, Occupational Safety/Social Issues, Deutsche Post DHL

Managing safety through key performance indicators

Continuous prevention by means of awareness campaigns, training and the use of tried-and-tested personal protection equipment (PPE) helps us to prevent accidents and reduce the risk of serious injury in case of an accident, a success which shows in our continuous accident analysis. However, we are considerably less able to influence hazards caused by wintry conditions on the roads, which have been the cause of the last two years' increases in accident rates.

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Occupational safety (Deutsche Post AG) (as at 31 December)¹	2008	2009	2010⁴
Number of workplace accidents ²	11,987	13,014 ³	17,283
Accident rate (number of accidents per 1,000 employees per year)	66	71	96
Number of working days lost due to accidents (calendar days)	255,590	275,351 ³	376,873
Working days lost per accident	21.3	21.2	21.8
Number of fatalities due to workplace accidents	2	1	0

¹ Includes employees of Deutsche Post AG.

² Accidents when at least one working day is lost; including accidents on the way to and from work.

³ Adjusted.

⁴ As at 3 February 2011 since accidents may also be reported after the balance sheet date.

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Occupational safety (SUPPLY CHAIN) (as at 31 December) ¹	2009	2010
Lost Time Incidents per 1,000 FTE ^{2 3}	18.0	12.8
Lost Time per Incident (days) ⁴	14.3	16.4

1 According to a global survey of SUPPLY CHAIN entities globally.

2 If at least one working day is lost.

3 Excluding accidents on the way to the workplace.

4 Working days.

DHL Supply Chain receives International Safety Award

Staff from the DHL Supply Chain warehousing and distribution site at Whitwood have won a **British Safety Council** (<http://www.britsafe.org/home.aspx>) International Safety Award for the fourth consecutive year.

DHL won the award for its “comprehensive health and safety policies, commitment to a positive safety culture at every level, and providing its workers with the necessary skills and competence to ensure health and safety risks are properly controlled.”

It is an emphatic demonstration of this concept’s effectiveness that the Whitwood site has also achieved a full year without a lost time accident (one day or more), which is equivalent to more than 290,000 safe hours worked. Given the volumes and the nature of the work at Whitwood, this is a tremendous achievement for every single person on site.

Learning and career development

Investing in our employees' professional and personal development pays off – for our employees as well as for our customers and shareholders. Our Employer Value Proposition (EVP) includes the key element “Growth” which encapsulates our offer to current and potential employees of a diverse range of opportunities to develop professionally and personally. In 2010, our employees took part in training measures for an average of 1.9 days each. Our performance management process motiv8 helps us to make our employees successful, in accordance with their capabilities and aims. We review our employee development programs and processes on a yearly basis to ensure they continue to meet our needs. In 2010, we implemented significant improvements to our methods for performance assessment and feedback. We have introduced new competencies for employees in management positions in Deutsche Post DHL, automated performance measurement using the motiv8 system and developed a new 360° feedback process.

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Training ¹ (Deutsche Post DHL)	2008	2009	2010
Annual training days per full-time equivalent	1.6	1.5	1.9
Annual training costs per full-time equivalent (€)	282	199	220

¹ According to a survey.

The data collected on training hours/training days covered 73.5 % of all employees (FTEs) in 2010 (2009: 68.7 %; 2008: 65.2 %).

The data collected on training costs covered 89.1 % of all employees (FTEs) in 2010 (2009: 88.4 %; 2008: 87.4 %).

Note: Data on time spent in training is not broken down by employee group at Group level.

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Development starts with Insight



Our Performance Management Process includes an annual evaluation of the employee's performance against targets set by the Group, the Business Division, and for the individual personally (i.e. the Individual Key Objectives or IKOs). The evaluation is an opportunity for each employee to understand the impact they are making in their role and the contribution they are making to the success of the Group. The ability for an employee to make an impact is one of the key elements of our Employer Value Propositions (EVP). The evaluation is accompanied by the preparation of a development plan for the individual (the Individual Development Plan or IDP) which identifies the areas of training and further experience that would enable the employee to extend their skill and capability.

Our new competencies for employees in management positions stipulate the capabilities we need our leaders to demonstrate if we are to successfully implement our Strategy 2015 (http://www.dp-dhl.com/en/about_us/strategy.html). In 2010, we defined the competencies depicted in the diagram below, and in 2011, we will extend their area of application.



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Part of our executives' remuneration is based on the evaluation of their competencies during the performance assessment process. In 2010, we continued to improve our performance management system motiv8 and our process for assessing individual performance and results. As well as the new competencies, a wealth of further information is used to assess our top executives, including company results, feedback from our Employee Opinion Survey and customer surveys.

In addition, we have extended the use of our motiv8 online self-service system to cover more than 20,000 employees. Executives and employees have online access to the relevant performance assessment data, enabling them to prepare for and review annual feedback and development interviews more effectively. We have developed comprehensive training modules and communication training courses to prepare executives and employees for the implementation of the performance management and feedback process. Our new 360° feedback system is based on the Deutsche Post DHL competencies and provides employees with a detailed and extensive evaluation of their performance to support them in their individual career planning.

Refocusing leadership for the future

In 2010, we defined the standards that executives will be expected to meet in 2015, and developed measures with which we can support our executives' development. On this basis, we are developing new Group-wide Executive Leadership Programs that are complemented by divisional programs and individual measures such as the 360° feedback and the mentoring program. We are also adapting our Executive Master of Business Administration Sponsorship (EMBAS) program.

- Our Executive Leadership Programs focus on personal leadership styles and those common elements that will help to build a Group leadership style, while the divisional programs are designed to strengthen teamwork and business specifics.
- Since 2006, our EMBAS program has given selected managers the opportunity to complement their competencies with an Executive Master of Business Administration degree at a leading business school. Studying for the qualification alongside their day-to-day tasks in the organization, they can choose from specialties in general management, logistics or finance. Since its introduction, 36 executives have achieved a qualification through the program.

Personal development and systematic support for talent

We want our employees' development to be as individual as they are. In 2010, we continued to work on solutions that support our employees in the realization of their professional and personal development needs. Some of the key building blocks of this support are our e-learning platform "mylearningworld.net" and our career paths project.

In 2010, those using mylearningworld.net rose by 50 %, soaring to 75,000 and we are continually expanding our range of over 2,000 standard courses and specially tailored training units, adding an average of 30 individual courses to the platform every quarter. The number of participants in our "English" e-learning-module has increased by 60 % to over 800, who use the web-based learning units to complement the courses they physically attend. 2010 also saw the start of a comprehensive upgrade to mylearningworld.net: In future, employees will be able to rate the quality of the training offered and so help us to improve it by responding to this feedback. Additionally, we are working on a clearer and more user-friendly presentation of the platform and will be adding social networking functions.

To provide talented employees with systematic support, in 2010, we began to develop a career planning and competency catalog, which will contain information on job descriptions and tasks, career stages and Group-wide competencies. It will also form the basis on which we can develop clearer and more specific structures for the regular development interviews that take place between employees and their managers. The information on career paths is a useful instrument for creating transparency on cross-divisional development possibilities and for more effective succession planning for senior positions within the Group. A first step toward this, which we made in 2010, was the introduction of defined career paths for key sales positions. As well as promoting transparency on the career paths open to and taken by talented employees, this permits us to identify areas in which personnel development measures such as further training are necessary. All this helps us to ensure that we will continue to have enough employees with the required qualifications.

This systematic support for our talent also makes it easier for us to recruit suitable employees for executive positions from among our own people. In 2010, 88.9 % of all vacant executive positions were filled by internal candidates (2009: 89.9 %).

“People who have built careers in one particular business unit often tend to stay in the comfort zone of that business unit. The career path initiative can provide the missing link to opportunities beyond GCS.”

Jan Heuvel, Director Program Management, EMEA, GCS

For 2011, we want to further develop our tools for promoting talent in the organization. Among other activities, we are planning to expand our internal career portal, where employees can find out about vacant positions in the organization. Our objective is the creation of a comprehensive platform with tools and links, supplying our employees with a “one-stop-shop” for career planning and professional development.

Career development at Deutsche Post

The MAIL division provides its employees with the best training for their roles and also invests in further training. In 2010, the division conducted 2,700 workshops, training courses and in-house training measures, which were attended by approximately 26,000 participants. In MAIL operations alone, with around 170,000 employees in Germany, approximately 1,500 employees took part in personnel development measures. We differentiate between:

- **Talent management**

Employees with development potential are prepared for the next stage of their careers. In May 2010, the “Operations Manager Program” (“Betriebslenkerprogramm”) was launched. Of 1,053 applicants, 156 participants were selected to take part in the “From Mailman to Manager” career path program. Feedback on the program has been exceptionally positive.

- **Competency management**

Employees are supported and coached in the development of their personal and professional competencies. The MAIL division currently operates 14 programs aimed at improving employees’ professional skills (competency management). They are directed at specific target groups, and are developed as integrated concepts that are compatible with each other.

Business-based curriculum for DHL

DHL not only wants to be the Employer of Choice but also wants to have the best teams in our industry. In pursuit of this objective, we have aligned the training measures offered to our employees with the specific requirements and challenges of each area of the business.

This division-specific orientation of our training plans has added substantially to our competencies, in terms of providing our employees with formal training for their specific roles.

- **DHL EXPRESS** has established the “Certified International Specialist (CIS)” program comprising training on specialist topics and management issues. We aim to make our employees specialists in their fields, and each of the employees in this division receives 1.5 days of training as part of their development.
- **DHL SUPPLY CHAIN** has continued its programs with the aim of enhancing its executives’ specialist and management competencies. In 2010, the focus was on the development and expansion of the training program for sales staff, which we now offer across all DHL divisions.
- **DHL GLOBAL FORWARDING FREIGHT** has continued to develop the “DHL Freight Forwarding Academy”, which serves as a Group-wide model for the efficient use of e-learning modules in comprehensive training concepts.

An integrated talent management concept: the German experience

Deutsche Post DHL is one of Germany’s largest employers, with a headcount of around 203,000. In this crucial market, the aim of our talent programs, which we operate at various levels, is to increase our attractiveness as an employer, and boost cooperation among divisions.

In 2010, through an integrated talent management concept, we have continued to develop the programs JOIN (Join Our Internal Network), Top-Azubi for vocational trainees, GrOW (Graduate Opportunities Worldwide) and ACTIVATE. CONNECT, our Deutsche Post DHL career network, also provides special opportunities for young and particularly talented employees and managers to work together and to share ideas and experiences across divisions and hierarchical structures.

JOIN for interns

In 2010, Deutsche Post DHL launched JOIN, a new program for interns. The aim of the program is to entice young professionals and managers to work for the Group from a very early stage, and to boost the image of the Group as an employer. In 2011, an initial cohort of 20 students start their JOIN internship, receiving the opportunity to gain professional experience and assume responsibility by participating in demanding projects. Supported throughout by mentors, the interns will work closely with and be coached by Group managers, and will be able to create their own professional networks.

Top-Azubi program for vocational trainees and cooperative education students

The Top-Azubi (Top Trainee) program is aimed at all final-year trainees in vocational training programs and final-year students at the Deutsche Post DHL University of Cooperative Education (*Duale Hochschule*). Its objective is to support high-performing trainees, to make Deutsche Post DHL more appealing to trainees and to retain the best trainees for the Group. In 2010, we selected 73 junior employees as Top Trainees, the equivalent of 5 % of trainees and students working across our divisions. These junior employees are invited to participate in additional training courses, and are assured a job in the Group at the end of their training.

"As soon as I heard about the Top-Azubi program, I gave my all to be included. My efforts have paid off: I now have a permanent job here. The professional support and the interesting seminars I was able to take part in have broadened my perspective a lot. It was especially fascinating for me to get together with trainees from all over Germany and share experiences."

Sara Antonia D'Onofrio, Top-Azubi 2009–2010, Operations specialist for courier, express and mail services, Deutsche Post AG

GrOW for graduates

In 2010, we admitted 29 university graduates (2009: 31) to our 18-month Group-wide graduate trainee program GrOW (Graduate Opportunities Worldwide). During the program, trainees become familiar with the organization's customers, processes and structures, and develop a solid basis for entering a range of fields of activity. In addition to gaining initial experience of working on projects, the trainees are coached in project management, communication and change management. GrOW assists us in establishing a pool of young professionals with strong qualifications who are highly motivated and prepared to take on international challenges.

"The trainee program was extremely beneficial for me. I learned about the sheer diversity of our organization, I worked on fascinating projects, and established a network of contacts within the Group. Most importantly, though, I made great strides, not only professionally, but also personally."

Magdalena Ullmann, Junior Expert, Support office HR Germany, personnel development programs department

ACTIVATE for professionals

The ACTIVATE program is intended to support young managers in the Group in their personal and professional growth. Program participants are required to gain in-depth knowledge of Deutsche Post DHL Group, develop management competencies that can be deployed across all divisions, and create networks to assist them in the tasks they will tackle in the future. There were 22 participants in ACTIVATE in 2010.

"We want to enable talented young professionals in our Group to advance their careers – that's where ACTIVATE comes in. The program gives them the fundamentals to rise to this challenge. The overall aim of the program is to improve cooperation within the Group, and promote ways of thinking that transcend individual corporate divisions."

Alexander Schneider, Head of Department Z 545, Vocational Training and HR Marketing, Germany

Recruiting and training

Our success is nothing other than the sum of all the successes achieved by our approximately 470,000 employees worldwide. For this reason, we aim to become the Employer of Choice in the mail and logistics sector. The future competitiveness of our Group will depend on our strategic and flexible response to economic developments – an example being 2009's financial crisis. In view of this, precisely targeted HR marketing and efficient recruitment procedures across the globe are of great strategic importance to our future. We want to recruit, develop and retain talented and motivated employees for our organization.

Employer Value Proposition: A strong employer brand

Our efforts to become the Employer of Choice are centered on our Employer Value Proposition (EVP). This was formulated in 2010 for DHL and Deutsche Post and we aim to use it to address existing employees and potential applicants. Our EVP is our framework for further increasing our success in the recruitment, development and retention of employees, both internally and externally. It consists of three elements:

- **Growth:** We give our employees a diverse range of opportunities to develop professionally and personally.
- **Impact:** We empower our employees to contribute their ideas and skills and influence the success of the company.
- **Pride:** We give our employees the opportunity to be a part of an organization that makes a contribution to society as well as to the world of logistics.

Recruitment

The methods we use for recruitment range from traditional methods, such as advertising in the printed press and using job fairs to attract university graduates, to the use of the internet.

Internet recruiting

The internet is a key instrument for drawing applicants' attention to us. In the "Top Employer Web Benchmark 2010" (<http://www.potentialpark.com/expertise/onlinerecruitment/topemployerwebbenchmark>) conducted by the marketing institute Potentialpark Communications, our online career portal has once again been voted one of the five best in Germany and Europe. We advertise more than 12,000 jobs online annually, and receive over 120,000 internal and external applications in response.

In 2010, we revamped the international DHL career website (<http://www.dhl.com>) and national sites for 140 countries in 40 languages. The new career portals, with their appealing design, present a consistent image of "ONE DHL" to applicants and make them aware of the diverse range of career opportunities in our Group. They are the most important channel of communication for DHL's employer brand.

Great career perspectives for graduates

Deutsche Post DHL provides students and graduates from a range of subject backgrounds with a wealth of opportunities to be involved in interesting projects, develop their career prospects by tackling challenging tasks and take on responsibility – maybe as a trainee in our GrOW program or through an internship.

We cooperate closely with universities in Europe, America, Asia and the Middle East, making students with potential aware of our Group as an attractive employer at an early stage. We offer MBA (Master of Business Administration) students from highly regarded universities and business schools the chance to gain practical experience in our organization through our MBA internship program, serving to develop and engage talent for our Group. Since 2002, more than 300 MBA students have worked on 45 challenging projects in Asia, Europe and America.

JOIN us as an intern

In Germany, our JOIN program gives high-performing students the opportunity to undertake an internship of up to six months in our organization. JOIN is a perfect complement to our cooperation with AIESEC (Association Internationale des Etudiants en Sciences Economiques et Commerciales) (<http://www.aiesec.org>), the world's largest student organization, providing its members with a platform for developing leadership competencies. Since 2002, in the course of our long-established partnership with AIESEC International, more than 600 students have completed internships with our Group.

Emerging talents in Germany

In Germany, the market where we make most of our total revenue, the race to secure the top candidates is well underway. In the coming years, the number of students leaving school in Germany will decrease significantly, yet our organization still depends on new talent with the right competencies and qualifications. To address this situation, we offer a wide range of vocational training and study opportunities for young people, paving the way for them to enter working life. Our training programs, career start and development programs for young specialists and educational initiatives also make an important contribution to society as a whole.

Last year, we provided training for approximately 1,700 young people in Germany, either in one of 20 skilled occupations or in one of 11 fields of study at the Deutsche Post DHL University of Cooperative Education (*Duale Hochschule*). On average, our Group employed about 3,775 vocational trainees worldwide in 2010. We offered more than 60 % of all trainees ongoing employment with us at the end of their training period, providing them with career prospects that were full-time roles close to home in the majority of cases. Through our Top-Azubi program, we give the best 5 % of vocational trainees the chance to attend special seminars, and we make them a firm offer of permanent employment once they have completed their training.

To investigate the potential for tapping into new groups of applicants for Deutsche Post DHL, we are involved in the German pilot project on anonymous applications run by the **Federal Anti-Discrimination Agency** (<http://www.antidiskriminierungsstelle.de/>). The project is being implemented through a proportion of our advertisements for vocational training positions and for places at the University of Cooperative Education.

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Traineeships % (Deutsche Post DHL)	2010
Courier, Express and postal services specialists	53.1 %
Forwarding and logistics services specialists	15.2 %
Duale Hochschule students	9.9 %
Warehouse logistics specialists	10.4 %
Other traineeships	11.4 %

¹ Number of trainees, annual average: 3,775.

Apprentices and trainees	2008	2009	2010
Deutsche Post AG (headcount) (as at 31 December)	2,675	2,397	2,245
Men (%)	62.1 %	61.5 %	62.9 %
Women (%)	37.9 %	38.5 %	37.1 %
Deutsche Post DHL (headcount) (annual average)	3,839	3,755	3,775

[«]

Committed and fair

We also support young people's education and qualifications before they get to the trainee stage, creating early and enduring links between them and the Group. We have more than 300 partnerships with schools, a wide range of work experience opportunities and various educational initiatives.

“Perspektive Gelb”: A boost for disadvantaged young people

Our “Perspektive Gelb” program helps to prepare young people facing a tough time on the labor market to enter working life. “Perspektive Gelb”, part of the German federal government's training agreement (*Ausbildungspakt*), is based on a program developed by industry. Young people who have not been able to find a vocational training position take part in work experience lasting between six and 12 months, organized and funded by the German Job Centers. Following this phase, Deutsche Post takes on almost 90 % of the participants for vocational training – a significantly higher proportion than at other companies. This positive figure is a signal to us to continue living our social responsibility through this program. “Perspektive Gelb” is run under the heading of “Praktikum PLUS” (Work Experience PLUS) in cooperation with the Protestant church in the Rhineland.

“Camp4us” summer camps

Together with our partner Teach First Deutschland, we again held two-week summer camps in 2010. Camp4us is open to children of our employees in Germany. Approximately 370 young people have seized the opportunity to discover their talents and strengths, and tackle topics such as career choices. For the first time, a special soccer camp was held in Bad Tölz for around 70 girls from Bavaria and Baden-Württemberg, with an emphasis on boosting team spirit and social skills.



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“Fair Company” seal of quality

Deutsche Post DHL corporate culture is based on respect, valuing people and equal opportunities, as set out in our Code of Conduct. For years, we have met the standards of quality laid down by the **“Fair Company” initiative** (<http://www.karriere.de/fair-company>), which promotes equality for interns and job starters.

Among other things, this means appropriate compensation for work, no internships to be offered in place of full-time jobs, and no vague promises of future employment.

Promoting employees' ideas

Idea management is a valuable tool for involving and motivating employees. Organizations whose employees are motivated, and who continually improve processes and products, will remain competitive in the long term. The importance of motivated employees is recognized in our Employer Value Proposition (EVP) which includes the key element "Impact". We empower our employees to contribute their ideas, competencies and experience to influence the success of the company. Accordingly, ideas from employees are a form of corporate capital; they contribute to the success and innovative capability of an organization while at the same time they demonstrate to our employees that they are able to impact the organization in positive ways.

Potential to create value worldwide

Increasingly, employees in our global network are contributing their ideas and suggestions. In 2010, we continued to broaden our idea management system to harness more of the creative potential of our employees across our regions and divisions. One component of this system is our idea management software, which makes it easier for all our employees to submit their ideas. Through a clearly defined process, experts then evaluate the ideas for their level of innovation and their potential to create value for the company.

The ideas submitted cover a broad spectrum, from suggestions for small but noticeable changes to innovations worthy of a patent. They all, however, have one thing in common: They come from our own employees, they improve processes, they save money and often time too – and they motivate employees to keep finding new ways of doing things. This is why we reward good ideas using a fixed compensation model.

In 2010, Group employees submitted approximately 228,000 suggestions for making work processes more effective, lowering repair and energy costs, and improving environmental protection. These ideas generated a value to our company of about €220 million (2009: €262 million). The number of improvement suggestions continued to increase in 2010, more than 10 years after the launch of idea management. The system is more popular than ever with our employees, and plays an important role in generating value in our organization.

Since 2010, an idea management system has been used in the Americas, Asia, and Europe, and a wider international roll-out will be completed in stages, closely coordinated with country and division managers. A concept for motivating employees and implementing the ideas submitted must be sustainable; therefore, the support of local management is essential, as is taking into account cultural differences.

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Idea management (Deutsche Post DHL) (as at 31 December)	2008	2009	2010
Savings per employee (€)	499.98	550.24	470.83
Number of suggestions for improvement (No.)	218,711	226,993	227,803
Number of accepted suggestions (No.)	162,471	178,303	183,323
Total benefit (€m)	265.0	262.6	219.5
Total costs ¹ (€m)	12.5	12.0	9.3

¹ Based in parts on estimates.

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DGF USA: On-site refrigeration

Refrigerating temperature-sensitive goods in an external refrigerated warehouse generated very high costs for DHL Global Forwarding, Los Angeles Gateway (LAX). Additionally, delivery and pick-up of freight from the warehouse was a major drain on time and organizational resources. A DHL employee came up with a solution that is as simple as it is ingenious: Instead of renting the warehouse for US\$1,000 a week, they rented a cooling container for US\$188 a week and set it up at the facility. This cut costs and also reduced CO₂ emissions, since the transport to and from the warehouse had been largely eliminated.

DHL Supply Chain Netherlands: Using water canisters for packing tape dispensers

The Japanese company Ricoh is a leading manufacturer of digital office machines. In the Dutch town of Bergen op Zoom, DHL Supply Chain organizes the distribution of Ricoh products for all of Europe. Water is necessary for packing tape dispensers in the "Direct Delivery Packing Area" to activate the tape adhesive, and until recently, this water was brought in buckets by employees. The idea was to replace these buckets with two large canisters. By providing water for 22 packing tape dispensers in this way, €6,900 is saved every year.

MAIL Deutschland: Fewer complaints thanks to interactive training

An interactive training program for mail carriers provides fundamental knowledge about sorting in local delivery bases, centered on "Premiumadress", the digital address management system for business customers. The sense of accomplishment that comes from the program's interactivity resulted in a considerable improvement in processing quality. Complaints relating to "Premiumadress" were reduced by 15 %, and incorrect returns to sender were reduced by nearly half. The training model developed by the MAIL branch in Gießen, Germany, was introduced at a national level and, as a result, will continue to have a positive effect.

"Express Japan's goal is to become the "Absolute No.1 player in the market" while sustaining profitability and cost leadership. The business environment surrounding us is changing all the time and competition has been intensifying year after year. First Choice "Kaizen" Idea Management is a critical online tool to generate innovative ideas from all employees. Under the theme "Every idea counts", we leverage this powerful tool to develop First Choice initiatives and process "Kaizen" ideas to make significant impacts for both our customers and our business. We are applying First Choice to "Everything we do", and use First Choice as "The Way We Work".

Taketo Yamakawa, Senior Vice President – Japan, DHL Express, and President and Representative Director, DHL Japan, Inc.

2010 Promotion Award for Idea Management/PhD scholarships

In May 2010, the German Institute for Business Management (Deutsches Institut für Betriebswirtschaft, dib) presented us with the Promotion Award for Idea Management for our long-term commitment to idea management. The prize was a scholarship for part-time studies on the Doctor of Engineering degree program at the University of Gloucestershire in the UK, to be awarded to a Deutsche Post DHL employee. So that employees with different subject backgrounds would also have the chance to do a part-time doctorate, Deutsche Post DHL provided two further places on a course at the same university, leading to a Doctor of Business Administration (DBA) degree.

SOCIETY



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Society: Our approach

As an international logistics and mail provider, we form part of the communities in which we work and live. With our network of around 470,000 employees, we reach nearly every corner of our planet. Our company influences and affects the world in which we operate. But we are equally affected and influenced by trends and developments around the globe, such as globalization or scarcity of resources, as well as the changing expectations of customers and employees.

Against this background, the social responsibility of companies plays an increasingly important role. Therefore, we recognize that we have a special responsibility to use our global presence, as well as the knowledge, experience and commitment of our employees in local markets around the world, to benefit society. As anchored in our corporate strategy, **Strategy 2015** (http://www.dp-dhl.com/en/about_us/strategy.html) and our Corporate Responsibility strategy, we aim to make a positive contribution to society, and support the long-term success of our company through sustainable and credible social engagement.

We focus on two strategic areas of involvement, GoHelp (disaster management) and GoTeach (education), to live our responsibility. In light of this new focus, our successful strategic partnership with UNICEF, which was more focused on health, was phased out at the end of 2010.

GoHelp: Disaster management

In recent years, the number of natural disasters has increased significantly. The 2010 Haiti earthquake alone, experts estimate, affected three million people, of which 220,000 people died and one million were made homeless. This is where we want to help with our core competencies in logistics.

When a natural disaster strikes, communities and organizations around the world mobilize to send relief goods to the affected area. But as aid pours in, airport bottlenecks increase, threatening to delay relief efforts.

After witnessing such a situation in 2003 following an earthquake in Iran, we decided to use our expertise to prevent this from happening again. Working closely with the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) since 2005, a global network of Disaster Response Teams (DRTs) was created, made up of around 300 specially trained DHL employees.

We provide the ideal global network for helping people impacted by major natural disasters and our support, in cooperation with the United Nations, focuses on global programs in two core areas: Immediate disaster response after natural disasters and disaster preparedness.

In addition, Deutsche Post DHL and its employees are contributing time and donations to deliver help to affected communities around the world.



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Disaster preparedness: Get Airports Ready for Disaster (GARD)

Our Get Airports Ready for Disaster (GARD) program provides training to better prepare airports for the logistics challenges of natural disasters.

Disaster response: Disaster Response Teams (DRTs)

Our global network of Disaster Response Teams (DRTs) is responsible for free-of-charge handling of relief goods arriving on charter flights at the airport closest to a disaster-affected area.

Recovery: “Deutsche Post DHL – We Help Each Other” (WHEO)

The “Deutsche Post DHL – We Help Each Other” (WHEO) fund provides financial assistance to Deutsche Post DHL employees whose homes are destroyed by floods, earthquakes or landslides. The fund is an initiative “by employees for employees”.

GoTeach: Education

Education is a prerequisite not only for individual success but also for the economic success of companies and society. There are serious educational challenges all over the world, though they vary locally.

With the education program GoTeach, we support education and equality of access to education worldwide. As a large organization with high demand for qualified employees, we cannot afford to ignore the difficulties in education today and leave the responsibility to others. We are aware that our continued success as an organization is reliant upon well-educated employees across the whole range of educational qualification levels. This is why we promote and support initiatives that improve equality of access to good education and empower children to find their place in society. In addition, GoTeach gives our employees the opportunity to get involved by volunteering in educational projects and thus expand their own horizons and contribute to the objective of minimizing educational inequality.

In 2009, we started our global GoTeach program by launching the Teach First Deutschland partnership in Germany. In 2010, building on the positive experiences gathered during the past two years, we expanded our commitment to education by partnering with the global network organization Teach For All. Seeing the need to improve access to education, we entered an equitable partnership with SOS Children’s Villages. In addition, we have developed the scholarship program UPstairs to support our employees’ children.



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Partnership with Teach For All

In 2010, we entered into a partnership with Teach For All, a global network of independent social enterprises. We help grow its global network and support the national Teach For All partner organizations.

Partnership with Teach First Deutschland

We cooperate with Teach First Deutschland, a non-profit organization which recruits outstanding university graduates to spend two years working at German schools in high-need areas as “Fellows”. We provide financial support to advance the program and extend its coverage.

Partnership with SOS Children’s Villages

We formed a partnership with SOS Children’s Villages, with the aim of supporting its local educational infrastructure and programs, as well as fostering the employability of youths through empowerment and need-based individual support.

UPstairs program – scholarships for employees’ children

With the newly established UPstairs scholarship program, we help employees’ families and provide financial assistance, as well as further supporting services for the education of their children.

Regional education programs

Alongside our global programs, many of our divisions, subsidiaries and country organizations actively promote equality in education.

Local community projects

Together with thousands of our employees, we dedicate considerable resources to local community projects around the world. Our employees’ knowledge, talents and passion are crucial when it comes to supporting people in their local communities. With our Living Responsibility Fund, we financially support local community projects and provide a platform for our global activities.



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Disaster Response Teams

When a natural disaster strikes, immediate help saves lives. In these situations, the timely distribution of humanitarian aid to the affected areas is crucial. Unfortunately, time and again, airports nearby, where relief goods must be handled, often turn into bottlenecks. It is the DHL Disaster Response Teams' (DRTs) responsibility to eliminate these bottlenecks.

Ready for deployment, anytime, anywhere

Our specially trained logistics experts are deployed to the airport involved to support logistical efforts such as warehousing and setting up an inventory. They ensure that essential supplies, such as food, medicine and hygiene kits, keep moving – even under the most difficult circumstances.

Ready to move within 72 hours, these teams are asked to deploy by the UN Office for the Coordination of Humanitarian Affairs (OCHA). The teams form a network covering most regions of the world that are affected by natural disasters on a regular basis.

A global network of Disaster Response Teams

There are three DRTs with about 300 DHL volunteers all over the world:

- DRT Americas in Panama
- DRT Middle East/Africa in Dubai
- DRT Asia-Pacific in Singapore.



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In 2010, the number and scale of deployments of our DRTs were exceptionally high. Our DRTs were deployed after four major natural disasters: The devastating earthquakes in Haiti and Chile, the floods and landslides in Guatemala and most recently, the severe flooding in Pakistan. Overall, our DRTs were deployed for 83 days in 2010 (compared with 44 in 2009) and handled about 7,000 tonnes of relief goods (2009: about 1,300 tonnes) by 105 DRT volunteers (2009: 31).

Data overview on our DRT deployments 2010	Deployed DRT volunteers	Deployment days	Handled tonnes of relief goods¹	DHL Speedballs packed¹
Pakistan	30	35	4,500	2,500
Guatemala	29	10	86	1,500
Chile	10	8	206	10,300
Haiti	36	30	2,200	
Total	105	83	6,992	14,300

¹ estimates

Deployed volunteers per regional DRT	2008	2009	2010
DRT Americas	7	4	75
DRT Middle East/Africa	0	2	23
DRT Asia-Pacific	15	25	7
Total	22	31	105

Deployment days by regional DRT	2008	2009	2010
DRT Americas	9	2	48
DRT Middle East/Africa	0	0	35
DRT Asia-Pacific	34	42	35
Total	43¹	44¹	118¹

¹ Including overlapping days of simultaneous deployments; in 2010, due to the participation of two Disaster Response Teams in Pakistan for a period of 35 days.

	2008	2009	2010
Handled tonnes of relief goods by year ¹	2,230	1,300	6,992

¹ estimates.

"On behalf of NATO, I would like to thank the entire DHL Disaster Response Teams for their tremendous contribution to the Pakistan flood response. Once again, DHL has shown its willingness to help those affected by natural disasters. We are very grateful for their dedicated support to the Pakistani people."

Hank Moon, NATO, Brussels



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Earthquake – New Zealand, February 2011

An earthquake registering 6.3 hit Christchurch on 22nd February 2011. According to government reports, at least 166 people died and many thousands were injured. Many buildings in and around Christchurch were also either destroyed or severely damaged. Six volunteers from the DHL Disaster Response Team assisted New Zealand's Red Cross and the Salvation Army during their two-week-long deployment to temporarily store and inventory donated aid goods.

Flooding – Pakistan, August 2010


What started as seasonal rains in late July 2010 became a disaster of historic proportions for Pakistan. By mid-August, the deluge had cost more than 1,700 lives and affected more than 18 million people according to expert estimation. Following our agreement with Pakistan's national Disaster Management Authority, the DHL DRT set up operations at the military section of Islamabad Airport, where the team of 30 DRT volunteers from 10 countries in the Middle East and Asia-Pacific received, sorted and processed relief goods for onward transportation. In cooperation with the World Food Programme, the team handled some 4,500 tonnes of relief goods during an extended five-week deployment. The DRT packed more than 2,500 DHL Speedballs – waterproof bundles of supplies designed to be airlifted to those in otherwise inaccessible areas.

Tropical storm – Guatemala, May 2010

On the last weekend of May 2010, Guatemala was hit by Tropical Storm Agatha, causing severe floods and landslides. The storm killed more than 100 people and left tens of thousands of people seeking shelter. Due to a volcanic eruption, the main airport in Guatemala City had to be closed. After the Government called a state of emergency, the National Coordinator for Emergency Disaster Risk Reduction (CONRED) asked for support from the DHL Disaster Response Team (DRT) Americas on 30th May 2010. A team of DRT volunteers deployed at La Aurora Airport in Guatemala City and set up a temporary, professional warehouse, including sorting facilities and made a full inventory of donated goods. Of the 450 DHL employees in Guatemala, 32 are trained DRT volunteers, and were released by their business units of DHL Guatemala for the deployment.

In 10 days, the DRT was able to manage 85.8 tonnes of aid and to pack almost 1,500 DHL Speedballs; these contained food and were sent to the survivors by truck and helicopter.

The DHL DRT signed a general Memorandum of Understanding (MoU) with CONRED in 2009. Once called on by the local authorities, the existing MoU gives the DRT the option to deploy swiftly and immediately set up the logistics needed to handle relief goods at the airport.

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Earthquake – Chile, February 2010

One of the most severe earthquakes of the past 100 years, with a magnitude of 8.8, hit the Chilean city of Concepción on 27th February 2010. Experts estimate that around 500 people lost their lives and more than 500,000 homes were destroyed. The DHL Disaster Response Team (DRT) with 10 team members started to help the Chilean Emergency Agency ONEMI to transport relief goods on 5th March.

At the affected airports of Santiago de Chile and Concepción, the DRT organized the packaging of around 10,300 DHL Speedballs containing more than 206 tonnes of relief aid such as food, hygiene kits and blankets. They were supported by 65 volunteers from the DHL Chile country office.

In Concepción, the mission focused on supporting distribution on the ground. Eighty volunteers from DHL Chile transported the donated goods from Santiago to the disaster area on 40 DHL trucks. The trucks moved approximately 25 tonnes of material and household items on behalf of the humanitarian aid organization Hogar de Cristo.

Earthquake – Haiti, January 2010


The island of Haiti was hit by a 7.0-magnitude earthquake on 12th January 2010, leaving behind 230,000 dead and more than 1,000,000 affected people, according to estimates. Within 48 hours of receiving the UN's request to deploy, the DHL DRT Americas, based in Panama, touched down and started operating at Toussaint L'Ouverture International Airport in Port-au-Prince. Our DRT, with 10 DHL volunteers, was the first logistics team at the airport. In view of numerous logistical challenges, the DRT's skills at managing relief goods were sorely needed. More than 500 tonnes of relief goods were handled and temporarily stored by the DRT within the first week.

One week later, we moved our DRT operations to the Las Americas International Airport in Santo Domingo, Dominican Republic. Faced with similar circumstances and very poor infrastructure, the operation required exceptional logistical skills. Over the course of 30 days, 36 volunteers handled more than 2,000 tonnes of relief goods and managed a 3,000 square-meter warehouse for storing and sorting incoming aid for NGOs operating in the region.

Deployments in 2009***Typhoon – The Philippines, September 2009***

Typhoon Ketsana (Ondoy) hit the Philippines on 26th September 2009, causing widespread flooding, and the DRT Asia-Pacific was deployed on 2nd October. The homes of nearly 1.9 million people in Manila and the surrounding areas were inundated by the flood waters, and hundreds of thousands of Filipinos were displaced from their homes.

Thanks to the DRT's support, 450 tonnes of relief goods, including food, hygiene articles, water purification units, tents and tarpaulins, were unloaded, warehoused and prepared to be dispatched to those in need in the Philippines. Goods came in from aid organizations such as the UN's World Food Programme (WFP), USAID, the Red Cross and Doctors Without Borders. During the DRT's three-week-long deployment, 20 DHL volunteers provided logistical support at Manila Airport in three rotations. Having signed a Memorandum of Understanding (MoU) with the Philippine Government in 2007, we had a formal agreement in place, which speeded up the DRT's deployment procedures considerably.

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Earthquake – Indonesia, September 2009

A 7.6-magnitude earthquake struck the island of Sumatra, Indonesia, on 30th September 2009. Around 1,000 people lost their lives, and the city of Padang was badly damaged. The Indonesian Government issued an appeal for international help and following a request from OCHA, the DHL DRT was activated. Chris Weeks, DHL's Director for Humanitarian Affairs, DRT Asia-Pacific employee volunteers from Indonesia and Singapore, and further volunteers from the DRT Middle East were all deployed to support the handling of relief goods at Padang Airport for one week.

The deployment in Indonesia also gave DHL's Get Airports Ready for Disaster (GARD) program an immediate test, as the pilot training exercises had only taken place in August. One of the men trained in the program, Mulatno Msi, the Logistics Director of the Disaster Management Agency, was responsible for the reception of relief aid following the earthquake and was able to directly apply what he had learned.

Tsunami – Samoa, September 2009

On 29th September 2009, the South Pacific island of Samoa was hit by a tsunami triggered by an 8.0-magnitude earthquake – the worst in 90 years. The earthquake caused waves of up to 7.5 meters, which pounded villages and tourist resorts, killing around 150 people. Two DHL DRT members provided logistics advice to the United Nations and the local authorities, and set up efficient relief operation logistics, concluding their deployment on 12th October. The Prime Minister of Samoa welcomed the team's support and expressed an interest in signing a permanent Memorandum of Understanding with the DRT Asia-Pacific.

Hurricane – El Salvador, November 2009

Floods and landslides left more than 140 people dead in El Salvador after the late-season Hurricane Ida ravaged parts of Central America on 9th November 2009. Rivers burst their banks and hillsides collapsed under relentless rains, cutting off parts of the mountainous interior from the rest of the country. The DRT Americas supported the logistics of two warehouses, which were assigned to receive national and international help such as bottled water, construction materials, food provisions, clothing and blankets. Four DRT volunteers helped the local relief agency Civil Protection of El Salvador to set up relief logistics.

Deployments in 2008 and earlier***Hurricanes and flooding – Latin America, autumn 2008***

A series of powerful hurricanes swept through the Caribbean during September and October 2008. Disaster Response Teams were requested to assess the need for logistics support in Honduras and the Turks and Caicos Islands in the aftermath. We helped local relief agencies to set up two warehouses and provided logistics advice to local personnel in the Caribbean and in Honduras. Then in November 2008, severe flooding in Panama affected tens of thousands of people, many of whom had to find temporary shelter in emergency camps. Drinking water and blankets were urgently needed. At the UN's request, the DRT Americas took over warehousing and inventory management at David Airport in Chiriqui Province.

Cyclone – Myanmar, May 2008

Cyclone Nargis affected 2.4 million people in the Irrawaddy Delta region of Myanmar in May 2008, leaving the international humanitarian response facing significant challenges. But thanks to our track record with the UN, the DHL DRT Asia-Pacific was able to assist, coordinating 17 humanitarian organizations and UN agencies, and preparing 2,200 tonnes of aid for the relief agencies to transport to the affected communities.



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Earthquake – Peru, August 2007

The southern region of Peru was struck by a violent earthquake in mid-August 2007. Within three days, the DHL DRT Americas was in action at Pisco Air Base. With the support of DHL Peru employees and local help, the DRT coordinated the warehousing and distribution of large quantities of supplies sent by national and international aid organizations, governments, churches, NGOs and private donors. The DRT stayed in Pisco for two weeks, during which time the team had trained members of the Peruvian civil defense (INDECI) to manage the warehouse and inventory on their own.

Earthquake – Indonesia, May 2006

More than 6,200 people died, 30,000 were injured and nearly 650,000 were left homeless after an earthquake struck the Indonesian island of Java in late May 2006. At the request of the Indonesian coordination agency for emergency aid (Bakornas) and the UN Office for the Coordination of Humanitarian Affairs (OCHA), the DHL DRT Asia-Pacific was mobilized to Solo Adisoemarmo Airport on Java. Within three weeks, 200 tonnes of supplies were transferred from 6,500 shipments containing primarily medicine, tents, blankets and food. The 14-member DHL team also trained workers to ensure supplies would continue to be distributed after the team had left.

Hurricane – United States, August 2005

For weeks in late summer 2005, Hurricane Katrina made headlines due to the havoc it wreaked on the Gulf Coast. The DHL DRT Americas spent two weeks at the Little Rock (Arkansas) Air Force Base to supervise the distribution of 2,370 tonnes of international humanitarian aid from 18 countries across the disaster area. Deutsche Post DHL contributed a total value of US\$1 million to these relief efforts, including US\$500,000 for services to transport emergency aid and for rebuilding the disaster area. The company and our employees also made in-kind and cash donations.

Earthquake – South East Asia, October 2005

When a violent earthquake struck Pakistan and northern India in October 2005, the extent of the disaster was not immediately apparent. Many of the 50,000 victims were living in remote mountain valleys which could not be easily accessed, and millions of people were left homeless. During the chaos of the initial relief efforts, UNO Emergency Relief Coordinator Jan Egeland called the situation a “logistical nightmare” the like of which the UN had never seen. Using DRT volunteers, DHL leveraged its logistics experience to ensure that international aid arriving on chartered flights could be transferred to the affected areas as quickly and efficiently as possible, and to keep Islamabad Airport open for further shipments.

Tsunami – coastal areas of the Indian Ocean, 2004

Within hours of the catastrophic flooding of coastal areas of the Indian Ocean in 2004, Deutsche Post DHL began organizing the logistics and transportation of humanitarian aid by leveraging its worldwide network. On the Thai island of Phuket, DHL vehicles shuttled tourists to safety and in India, they helped to transport federal police forces to the disaster area. The Airport Emergency Team – the predecessor of today’s Disaster Response Teams – was mobilized and sent to Colombo Airport in Sri Lanka. In the weeks that followed, Deutsche Post DHL and staff members contributed even further to the relief efforts. The company donated €1 million in financial aid and provided free cargo flights to the disaster area, and thousands of employees made further personal donations. A joint initiative by Deutsche Post DHL and eBay raised over €2 million.



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DHL Speedball – innovative transport solution for the final mile

Following the South East Asian earthquake in 2005, our employees saw that conventional means of transport such as boxes are often not robust enough. Instead, they used durable, waterproof DHL courier bags to deliver relief efforts in remote and inaccessible areas. When packed with donated relief goods, these “DHL Speedballs” can hold up to 25 kilograms, withstand airdrops better and stay afloat longer than other containers.

Speedballs have been tried and tested in numerous relief efforts. In 2010, the delivery of DHL Speedballs was a huge help in Pakistan, after the earthquake in Chile and after the tropical storm in Guatemala. In Pakistan alone, more than 2,500 DHL Speedballs were packed and prepared for the delivery to the flood-affected areas. The filled bags were then loaded onto helicopters from the Pakistan Air Force, US Air Force or British Royal Air Force, and flown to people in remote towns and villages where they were either dropped or, where landing sites are available, handed over to people on the ground. The DHL Speedball combines handling ease with effectiveness, making it a great way to deliver aid to those who need it most.

Cooperating to help

The Office for the Coordination of Humanitarian Affairs (OCHA), our strategic partner for the work provided by the DHL Disaster Response Teams since 2005, is responsible for mobilizing and coordinating humanitarian aid with national and international partners. Committed to providing quick and effective disaster relief, OCHA and Deutsche Post DHL have extended the successful five-year long partnership for another three years, until the end of 2013. OCHA calls on the DRT when disasters strike.

New Memorandum of Understanding


A Memorandum of Understanding sets out the types of pro bono services, such as warehousing and logistics, that a DRT could offer a government dealing with a natural disaster. It helps to minimize the administrative efforts needed to launch a deployment, so helping to avoid on-the-ground delays when major natural disasters strike.

We have already signed Memoranda of Understanding with the local civil protection authorities of China in 2006, the Philippines in 2007, Sri Lanka in 2008, Costa Rica, Guatemala, Peru and Panama in 2009, and most recently, Honduras in 2010.

Being prepared with DRT training

Professional preparation is key to a successful deployment. In 2010, we trained 143 new DRT volunteers. The training takes the volunteers through the basics of disaster relief operations, the role of the DRT and teambuilding to adequately prepare them for deployment. Participants learn how a DRT is put together in the wake of a disaster and how airport logistics management works in cooperation with the UN.

In Singapore, 47 volunteers took part in classroom sessions and real-life simulations. The training took place in a remote location so conditions came close to what the volunteers might face in an actual relief operation. They lived in tents with very basic facilities and ate local diets, giving them an idea of the hard realities they might face after a major disaster has destroyed the local infrastructure. The Disaster Response induction and preparation modules are an important step in preparing DRT volunteers.

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Get Airports Ready for Disaster (GARD)

When earthquakes, tornadoes or floods occur, the international community is usually quick to provide help to the affected country. However, storing and distributing huge volumes of food, water, medicine and tents is often more than those in charge at regional airports are prepared for. That is why Deutsche Post DHL partnered with the United Nations Development Programme (UNDP) to develop the GARD (Get Airports Ready for Disaster) program.

GARD is the second pillar of our disaster management efforts. Launched in 2009, the training program is implemented in disaster-prone regions. GARD helps local people make their facilities, people and processes ready for the unpredictable. By building capacity locally, the GARD program empowers communities to help themselves.

Training close to reality

The training is a mix of in-class instruction, assessment work and on-site fieldwork. To assure effectiveness, training is kept close to reality and is always held at the airport to be made disaster-ready. The trainees are local people selected to drive airport preparedness efforts – airport staff, government and military officials, representatives from the UN or humanitarian agencies. They can rely on trainers from Deutsche Post DHL who have extensive experience in airport logistics and disaster response.

The several-day program is very much hands-on: It starts with a look at the existing situation – infrastructure, available people, existing equipment – and works with it. There is no standard solution being taught as each infrastructure is different. Together with their trainers, local trainees evaluate their airport and develop a plan for optimizing capacity and resources in the event of a disaster. The goal is to increase the possible throughput of relief goods and allow smoother processes even when normal airport measures are under stress.

After the GARD training, airports can achieve and constantly build on their own relief surge capacities.

The participants:

- have a logistics contingency plan for their airport in place, which is constantly updated
- use the GARD assessment tools and templates to train more local staff or conduct GARD training at other airports
- are able to constantly evaluate their disaster-ready status.

Preparing Nepal's airports for a relief surge

GARD was piloted in 2009 at the Makassar and Palu airports in Indonesia, both located on the earthquake-prone island of Sulawesi. After training individuals and getting these two hot-spot airports disaster-ready, the program was adapted for other regions of the world.

In 2010, GARD was taken to Nepal. DHL experts worked with the UNDP, Nepal's national disaster agency and local airport authorities to prepare a total of five airports.

"Having deployed with the DRT in Samoa, I've seen the chaos that airports face. I felt I could make a difference by helping get GARD in Nepal in place."

Gavin White, branch manager, DGF New Zealand (GARD trainer in Nepal)

Cooperating to help

As part of Get Airports Ready for Disaster (GARD), we cooperate with the United Nations Development Programme (UNDP), which plays an active role in improving living conditions and sustainable development. The UNDP brings together national and international efforts to realize the **UN Millennium Development Goals** (<http://www.un.org/millenniumgoals>).

Rolling out readiness

In our commitment to assist disaster relief efforts by making them more efficient and effective, we plan to roll out GARD in 2011 to airports in Bangladesh and one further disaster-prone country in Asia.

"This partnership with DHL is one of our efforts to mainstream Disaster Risk Reduction in the transportation sector. In the near future, we expect to develop similar initiatives in other sectors."

Kristanto Sinandang, Head of UNDP's Crisis Prevention and Recovery Unit

Global partnership with Teach For All

Lacking quality in education and educational systems is a global challenge. To meet this challenge, Deutsche Post DHL launched its GoTeach program which, together with experienced partners in the field of education, aspires to the vision that one day, all children will have the opportunity to attain an excellent education.

In September 2010, building on the positive experiences gathered during our two-year partnership with Teach First Deutschland, we set up a partnership with Teach For All. Teach For All is a network of 19 national partner organizations with the common goal of increasing the quality of education and educational systems around the world.

The Teach For All model

The idea behind Teach For All is to recruit outstanding university graduates from a range of disciplines and enlist them for two years to teach in schools located in areas with high educational needs. The organizations that comprise the Teach For All network train teachers to make an immediate impact on student learning during their two-year commitment.

Experience has shown that even after their two years of teaching, Teach For All graduates continue to actively promote quality in education.

"Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it is the only thing that ever has."


Margaret Mead, American Cultural Anthropologist

Our contribution

Our main objective in this partnership is to support the growth and development of the Teach For All network, making a contribution to the global improvement of curricula. Besides financial donations, we will give our employees the opportunity to personally contribute to better education through various voluntary activities. Whether by mentoring Teach For All teachers, providing support for schools through school supply drives or asking our colleagues to participate in various volunteering activities, we are making our objective of contributing to educational success and living responsibility a reality.

Initially, we will be working with the existing national Teach For All partner organizations in Peru, Chile, Argentina and India, while in Spain and Brazil, we will help to set up new national Teach For All partner organizations.

In cooperation with each national Teach For All partner organization, activities tailored to each country's individual educational needs will be selected and implemented. During this process, we will draw on the experience gained in our partnership with Teach First Deutschland for inspiration.

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Kick-off meeting in Mumbai with Teach For India

Under a Cooperation Agreement signed in September 2010 with the global Teach For All organization, we announced a country-level partnership with Teach For India. As well as financial support, various joint activities at Teach For India schools will characterize this partnership, as we seek to improve the quality of education and help students to unlock their full potential and achieve good results. Together, Teach For India and Deutsche Post DHL will be able to contribute to educational success in India.

Targeting the future

We hope to boost the impact of Teach For All network partners on the educational opportunities of disadvantaged students worldwide. Our common aim is to expand the network from 19 national organizations to more than 30 by 2013. Doing so would enable Teach For All to help more committed organizations around the world adopt the Teach For All model and advance the cause of education in their countries.



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Partnership with Teach First Deutschland

Although Germany is a highly developed country, social background is a determining factor in educational success. Despite compulsory education, one in five young people in Germany is functionally illiterate, while 8 % of pupils drop out of school or leave without qualifications. For this reason, one of the greatest challenges of our time is to overcome barriers to education and to help young people gain access to education, get started in their careers and find their place in society.

As a large organization with high demand for qualified employees, we cannot afford to ignore the difficulties facing education today and leave the responsibility for education to others. We are aware that our continued success as an organization is reliant upon well-educated employees across the wide range of educational qualification levels. We are convinced that the state of education in Germany can only be improved by the combined efforts of government, business, schools and non-profit organizations. This is why, since February 2009, our GoTeach program has supported the non-profit organization Teach First Deutschland.

The Teach First Deutschland initiative

The idea of Teach First Deutschland is as simple as it is convincing: Outstanding university graduates work in secondary schools as “Fellows” for two years.


The Fellows assist teachers in classes, and also support students outside class by offering a range of activities such as study groups, consultation hours, coaching and homework assistance. These tasks endow the Fellows with additional skills and qualifications as well as experience they will be able to draw on all their lives. The experience will inspire them to continue to work for a fair educational system, no matter what professional careers they embark upon afterwards.

The Fellows are recruited from universities, academic foundations and other institutions across all academic disciplines. Selection criteria include above-average academic performance and previous involvement in voluntary activities in society, culture, politics or sports. Teach First Deutschland prepares the Fellows for their challenging task over a period of three months. During their time in school, supervisors from Teach First Deutschland and mentors from the schools provide them with continuous support and further training. The Fellow program is supported by the ministries of education of each participating federal state, which pay their monthly salaries. Teach First Deutschland covers all further costs for recruitment, selection, initial and further training, and supervision of the Fellows, being supported by the organization’s co-founders and sponsors.

Further information: www.teachfirst.de (only available in German)

Our contribution

With the launch of Teach First Deutschland in February 2009, Deutsche Post DHL began a long-term commitment to the non-profit organization as its founding partner and largest corporate supporter. Deutsche Post DHL supports Teach First Deutschland financially, with the program’s expansion to further German federal states and with its implementation. In addition, Deutsche Post DHL works with Teach First Deutschland in three areas: Summer camps, employee volunteering, and training and recruitment of Fellows.

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Camp4us summer camps

Working together with Teach First Deutschland and the German Child and Youth Foundation (Deutsche Kinder- und Jugendstiftung, DKJS), Deutsche Post DHL has developed an innovative summer camp concept that focuses on fostering children's and young people's strengths. At the same time, it contributes to the Teach First Deutschland Fellows' training. During the three-month preparation for their work in school, the Fellows spend time at one of the summer camps. Here, under the guidance of educational experts from the DKJS and Teach First Deutschland, they are able to implement the training they have received in a practical setting.

The camps' activities are based on the methodology of learning through project work, and focus on assisting children and young people in their development in the following three areas:

- Acquisition of key skills for further education, training and the world of work
- Strengthening self-confidence and personality
- Providing ideas and inspiration for better academic performance and career planning.

The two-week camps, which take place during summer break, are aimed at 7th and 8th graders from comprehensive and less academically oriented secondary schools in Germany. Participants work together on projects relating to areas such as language, creativity, media, sports and health, as well as the environment and nature. This project work takes the children's and young people's individual strengths and talents as a foundation on which to build.

A team comprising educational experts from the DKJS, Teach First Deutschland Fellows and volunteers from Deutsche Post DHL communicate both subject knowledge and interpersonal skills, such as communicative abilities and teamwork, to the young people. Nonetheless, there is still plenty of time for fun and games, and the camps provide the young people with inspiration and motivation to take back to school with them. They also gain information and skills they need to make career choices and start developing a perspective for their future.

The grand finale of the summer camps, organized by Deutsche Post DHL, is a festive closing ceremony during which the participants present their projects. Their parents and friends, as well as a few "famous faces", are invited to this event so that the young people's achievements receive the recognition they deserve.

The first camps took place in July 2009, with about 170 school students participating. The camps proved such a great success that one year later, in July 2010, their number increased to five, with 300 children and young people attending. As in the previous year, a large number of these were children of Deutsche Post DHL employees. However, 2010 also saw students from schools with Teach First Deutschland Fellows taking part for the first time.

Further information is available at www.camp4us.de (only available in German).



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Employee volunteering

The commitment shown by Deutsche Post DHL employees and managers provides vital support to the Teach First Deutschland program and helps both young people and Fellows. In addition, volunteering in the area of education is also a learning and development opportunity for our employees. There are three different ways to get involved in the partnership between Deutsche Post DHL and Teach First Deutschland:

Chance4you: Employees act as mentors to school students

In the Chance4you program, employees make a 15-month commitment to act as a mentor to a student in grades 8 to 10 at a comprehensive or less academically oriented secondary school. Mentor and mentee meet three or four times a month for two hours each time. This one-on-one contact helps to improve the student's academic, methodological and interpersonal skills. For example, a mentor might discuss with the mentee how to plan and implement the journey toward individual goals in life. They might help the mentee to become more cooperative and manage conflicts better, or improve their proficiency in oral expression. The overall aim is to strengthen the students' capacity to enter and successfully complete vocational training after leaving school.

At the beginning of the mentoring relationship, the mentor and the student both sign an agreement naming the objectives and the organizational framework of the mentoring. Mentors and mentees are matched in cooperation with the mentees' schools, using carefully stipulated criteria such as location, personal interests, the mentor's skills and areas for development on the mentee's side. The Teach First Deutschland Fellows act as coordinators in their schools and are also available as points of contact during the mentoring period.

To start the program in 2010, 25 mentoring pairings, each consisting of an employee and a school student, were formed at eight schools in Berlin, Hamburg and North Rhine-Westphalia. The mentors and students have been meeting regularly since September 2010, and the initial feedback on the Chance4you program has been so positive that plans are in place to expand it and make it a permanent feature.

Engage4change: Managers act as mentors to Fellows


The Engage4change program gets managers involved as mentors to a Teach First Deutschland Fellow, whom they assist in career planning over a 15-month period, starting with the beginning of the Fellow's second year in school. The mentoring supports the Fellow's personal and professional development and helps them start their career after their time in the classroom.

"Mentoring broadens my horizons. Basically, my life happens in the company and in my personal life outside of work. Before this experience, I had no idea what was going on in a comprehensive school in Cologne. Through Engage4change, I have a chance to meet young people from a different generation with new points of view, which I can take back to the company."

Boris Mayer, Engage4change mentor, Deutsche Post DHL

In discussion with their mentees on topics such as motivation, leadership, self-management and success, managers are not only able to share their own experience, but also to learn from the Fellows' experience in school. In addition, the personal communication gives Fellows the opportunity to learn more about Deutsche Post DHL as an attractive employer. Meanwhile, mentors can identify Fellows who show potential for a career with Deutsche Post DHL and assist them in finding a possible role in the organization.

The program launched in 2010, with 23 pairings consisting of a Fellow and a manager. The first meetings and discussions have produced very positive feedback from all parties involved, and we intend to expand the program.

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Volunteering in Camp4us: Employees supervise projects or assist the camp coordinators

Deutsche Post DHL employees can spend two weeks helping out at the Camp4us summer camps, either running projects or assisting the camp coordinators. Last year, five summer camps were held in Germany, giving 300 boys and girls the opportunity to work on interesting projects while having a great vacation. Along with students from Teach First Deutschland partner schools, the camps were also open to children of Deutsche Post DHL employees. Two employees worked as volunteers at the camps in 2010.

Training and recruitment of Fellows

During their two years at school, the Teach First Deutschland Fellows receive appropriate, tailored training. In the first year, the emphasis is on developing the Fellows' proficiency in the classroom and in other interactions with students. Training is largely carried out by Teach First Deutschland. From the beginning of their second year, the Fellows focus more intensely on the career paths they will embark on after their time in the classroom.

One purpose of the partnership with Teach First Deutschland is to support individual Fellows in starting their careers and to offer them job opportunities within Deutsche Post DHL. Deutsche Post DHL provides selected Fellows with various activities through which they can learn more about the company and prepare for the corporate world. These activities include mentoring by managers ("Engage4change"), the "Fellow Day" and the "Business4Fellows" week.

Fellow Day

The "Fellow Day" is an invitation extended to all first-year Fellows to come to Bonn, Germany, and get to know the organization and its employees. The two-day event includes activities such as a visit to the DHL Innovation Center, a chance to observe the organization in action in a mail or parcel center, and an overview of the Group's current strategy, as well as the individual elements of its cooperation with Teach First Deutschland. A "marketplace" event allows the Fellows to find out about Deutsche Post DHL's range of activities in the area of education, such as the "Post in School" ("Post macht Schule") program and cooperation between schools and Deutsche Post DHL sites, elements of which the Fellows can use in their schools if appropriate. Additionally, the event informs Fellows about the range of career opportunities available within the organization, such as working in Inhouse Consulting or joining the trainee program GrOW.

A total of 48 Fellows took part in the 2010 event. Many of them had a chance to meet their "Engage4change" mentors personally at an informal get-together with employees and managers from Deutsche Post DHL.

Business4Fellows seminar

A five-day Business4Fellows seminar gives selected Fellows an overview of areas such as finance, project management, business presentations and decision-making, as well as leadership and change management. Business games and workshops based on realistic scenarios give the participants the opportunity to apply this knowledge directly and enhance it. The seminar content is complemented by a comprehensive range of evening activities including "discussions by the fire", talks and networking sessions with managers and employees from Deutsche Post DHL.

The seminar aims at providing the Fellows, who have studied a wide range of subjects at university, with insights into business issues and topics of strategic importance to the Group. In 2010, 34 Fellows took part in the seminar and provided very positive feedback.



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"A lot of what I've learned at Business4Fellows I can take with me into school and share with my students."

Johannes Knabe, Fellow, Teach First Deutschland


Before the graduates become Fellows, true to the motto "Teach First – Join Later", we offer suitable applicants future roles at the Group's own international strategy and management consultancy, Deutsche Post DHL Inhouse Consulting, to begin after their time as Fellows. Graduates who apply as Fellows and meet the criteria of both Teach First Deutschland and Deutsche Post DHL Inhouse Consulting are invited to a special assessment day. The selection committee comprises representatives from both organizations and successful applicants receive a job offer from our internal consultancy, on the condition that they successfully complete two years as a Teach First Deutschland Fellow beforehand.

Furthermore, we offer selected Fellows the chance to spend a taster day at Deutsche Post DHL Inhouse Consulting, our internal, international strategy and management consultancy.

Our objectives

Our plans for 2011 include continuing and expanding the program components launched in 2009 and 2010. We want to increase the number of volunteers in our mentoring programs and summer camps, and support Teach First Deutschland in expanding the program to other federal states in Germany.

In 2010, we also began a global partnership with Teach For All, the umbrella organization of Teach First Deutschland and 18 further national organizations. By doing so, we intend to expand our commitment to increasing educational opportunities for underprivileged students around the world.

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Partnership with SOS Children's Villages

Poor access to education and few chances to gain work experience are major challenges for adolescents in many countries. Due to high unemployment rates and limited vocational training infrastructure, even a school-leaving certificate from a primary or secondary school does not always guarantee easy progression to the next stage.

In December 2010, we set up a partnership with SOS Children's Villages as part of our global GoTeach program. SOS Children's Villages is an independent, non-governmental child welfare organization providing a loving home for orphaned and abandoned children, support for vulnerable families and education for whole communities in more than 130 countries. Especially in the case of young people who have had a particularly difficult childhood, it is a major challenge to convey the importance of getting a good education. Thus, educational guidance is an essential part of the care SOS provides. Together, we want to give young people a better future by offering as many of them as possible access to proper education, vocational training, work experience and other appropriate assistance to foster their employability.

Our objectives

Young people aged 15 to 25 in particular have been identified as a key target group. They are to be supported so that they can prepare themselves for an independent, self-determined life. To identify what kind of individual support has the greatest impact on a young person's employability, the partnership will be based on strong local ownership. A range of educational opportunities involving both partners will provide needs-based support, helping the individual to start preparing for a career. With this in mind, our employees will be trained and empowered to volunteer in locally developed activities.

As this kind of deep local involvement through extensive employee engagement is new to both partners, we have started to launch the partnership in four countries: Brazil, Madagascar, South Africa and Vietnam. In this way, in 2011, we will gain joint experience so that we can establish a long-term relationship.

Our partnership in Madagascar

"Success comes after hard work" is the motto of a partnership between DHL Madagascar and SOS Children's Villages Madagascar, which began in 2010. DHL sponsors young adults in the process of social and professional integration. With some investment and plenty of employee involvement, a mentoring program has been set up. Three to four DHL employees mentor young adults over a 10-month period and give them first-hand impressions of their day-to-day work. They also share their views on what they might need to work for a company like DHL. The youths receive their first experience of the working world and the motivation to develop their skills and knowledge. Our employees also benefit from acting as role models for the young people.



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UPstairs scholarship program for employees' children

UPstairs is the new scholarship program for employees' children around the world. The dedication of our employees is the key to our success as a service provider. We are also grateful for the commitment mothers and fathers show in their daily activities at our company. As the income of some families is not always enough to support children through further or higher education, UPstairs helps the children of our employees to earn a higher school-leaving qualification or a degree.

Pilot country: South Africa

Representatives from the Human Resources departments of different business units met in the autumn of 2010 for an implementation workshop in Johannesburg that adapted the global concept of UPstairs to local characteristics and needs. Country-specific selection criteria for the applicants, as well as a threshold for the income of families applying, were also determined.

The first 13 UPstairs scholarship holders are from South Africa, where school started in January 2011.

Our objectives

In 2011, we plan to extend the UPstairs pilot to Indonesia, Mexico and Romania, with a total of 50 scholarships. To support as many of our employees' families as possible and to increase their children's educational opportunities, we intend to expand the program to 600 scholarships by 2014.

"South Africa is very fortunate to be included in the pilot of the DHL UPstairs scholarship program. We welcome the opportunity to be the first country to launch this new initiative – certainly one we believe our staff will happily embrace.

The UPstairs scholarship program not only serves the primary purpose of improving education levels of the needy children of staff working for DHL. It also motivates staff and demonstrates that DHL cares and is willing to give back to the countries and communities within which it operates."

Buti Maseko, Senior Director Human Resources Sub-Sahara, DHL Express

Our contribution

Following a selection process, in which the main criteria are school grades and family income, scholarship recipients are awarded a monthly payment for school or university studies.

The scholarship is accompanied by a personalized educational package. Along with additional learning material and supporting classes such as language and IT courses, we offer scholarship holders an internship at Deutsche Post DHL companies. A mentoring program is available, in which Group employees accompany scholarship holders personally. The duration of the scholarship is generally three years – long enough for the child to complete the next step in his or her education.



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Youth Exchange Program “YEP!”

For the fifth year in a row, children of Group employees had the opportunity to participate in our overseas Youth Exchange Program YEP! During the summer, 10 young people from Germany spent a four-week period with the family of another Deutsche Post DHL employee in Brazil, Mexico, Chile, the United States or Spain. In return, 10 children of Group employees from these countries came to Germany.

The program champions intercultural education, promotes understanding across national, political and cultural boundaries, and helps to encourage the personal development of the young participants. Furthermore, YEP! contributes to bringing the idea of diversity to life for young people and their families, and improves cultural integration within our Group. Deutsche Post DHL will continue this project in 2011 with Italy as an additional country.



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Selected educational activities of our divisions

The GoTeach program represents Deutsche Post DHL Group's commitment to better educational opportunities for children and young people around the world. In addition to the core initiatives with our partners Teach For All, Teach First Deutschland and SOS Children's Villages and to the UP*stairs* program, the Group is also involved in activities on a regional level. Many divisions, subsidiaries and country organizations actively promote equality in education. These programs and projects are diverse, and as there are so many examples, we can only provide a selection from across the Group.

DHL and the German–Jordanian University

Deutsche Post DHL collaborates with a number of universities around the globe. In most cases, this cooperation takes the form of joint projects, sharing information on internships, entry-level positions at the Group, and guest speaking events.

An example is the partnership between DHL and the German–Jordanian University (GJU) in Amman, Jordan, launched in March 2010. The collaboration between GJU's logistics department and DHL Express Jordan will provide training opportunities for students of logistics sciences internationally in DHL hubs, offices in Jordan and the DHL Innovation Center in Germany. Through this, students will have the opportunity to undertake training and internships, lectures, research, joint workshops and field trips with support from DHL Express. Training will involve 169 hours for each student locally, and for six months internationally, after which time students will receive a certificate.

Small Schoolbag for a Big Future in China

"Small Schoolbag for a Big Future: DHL Dream Bag Initiative" is a three-year educational charity program jointly initiated by DHL-Sinotrans and China Children and Teenagers' Fund (CCTF). To leverage the company's strength in logistics through the involvement of all DHL employees in China, this campaign helps children and teenagers in poor areas to complete their basic education and ensure the sustainable development of education.

On 24th September 2008, the inauguration ceremony of the DHL Dream Bag Initiative took place in Mianzhu Tumen Central Elementary School in the city of Deyang. Students cheerfully received their new schoolbags, dictionaries, stationery and books at the beginning of a new semester. Since then, 10,000 schoolbags and stationery sets have been donated every year by DHL employees from DHL-Sinotrans, DHL Global Forwarding and DHL Supply Chain in China, especially during DHL Volunteer Day.

By the end of 2010, nearly 10,000 DHL employees in China have donated more than 30,000 sets of stationery, benefitting students from 104 schools in 11 provinces.

Mentoring program in Kenya

DHL Kenya has a program aimed at mentoring disadvantaged high school students in their final year so that they can make positive choices about their careers before completing their studies. With this, 100 high school students get valuable insights and first-hand experience in the professional world.

This initiative, in partnership with the Kenya Network for Women with HIV/AIDS (KENWA), selects students from local schools who are either infected or affected by the pandemic.

The objective of the program is to give children the opportunity to see the different careers in our organization so that they can evaluate what types of things they would potentially want to do; for example, students who may want to become accountants spend time with our accountants learning about aspects of the field. The program, which has been in operation for four years, has taken in 400 students to date. The number of students taken at a time has also increased from an average of 40 to 100.

DHL UK Foundation helps young people***Career Academies UK***

Career Academies UK aims to widen education opportunities and enhance career prospects of young people. Now part of a major partnership, the DHL UK Foundation is working with Career Academies through three pilot projects around the country.

DHL employees have become mentors, helping individual students to understand how their academic learning can be applied in a business setting. Others, who can only give a few hours each year, have delivered “Guru lectures”, sharing their expertise in business disciplines such as finance, logistics and marketing. In 2010, the first Career Academy students undertook a six-week paid internship within DHL to put their academic studies into practice.

Outward Bound Trust Program

The Outward Bound Trust is an educational charity in the UK that uses outdoor experiences and challenges to help and develop young people. The DHL UK Foundation has been a member of the Trust’s corporate network, the Patron’s Company, since 1998. The Foundation’s program supports up to 300 disadvantaged young people aged 13–15, from schools in a number of DHL’s business locations, with bursaries to attend an Outward Bound course.

See a short film about the Outward Bound Trust Program (<http://www.dhlukfoundation.org/index.php?ID=800>)

In 2010, 30 DHL mentors prepared to step out of their comfort zone and join the young people on their journey. Acting as volunteer mentors, they worked alongside the Outward Bound instructors to provide support and encouragement.

Further information is available at www.dhlukfoundation.org

DHL delivers libraries and sustainable education in Nepal

DHL Express Nepal has been helping to spruce up library facilities for several Room to Read schools in Nepal for some years. In 2010, DHL Nepal helped establish a library in Shree Mahendra Lower Secondary School. In addition, DHL together with Room to Read devoted three days to paint the school as a part of the DHL Volunteer Day. The key objective was to enhance the educational infrastructure of the schools for underprivileged children. Since 2006, a school in Nuwakot and another in Nala, Kavre, have benefitted from the DHL–Room to Read partnership.

Room To Read strongly believes that “World Change Starts with Educated Children”. Its philosophy is aligned with DHL’s GoTeach focus, and DHL Nepal has collaborated with Room to Read since 2005. Since then, DHL Nepal has been providing logistics support to Room to Read by delivering books to different parts of the world.

Deutsche Post fosters education throughout Germany***Post+School***

In collaboration with the Foundation for Reading (Stiftung Lesen), Deutsche Post supports daycare providers and teachers in their day-to-day tasks, from pre-school to high school in Germany. Lesson plans, factual information, worksheets, and a writing and drawing contest focus on the post office and everything associated with it, from letter-writing to writing in general, art and media competency, careers and applying for a job. All materials are designed for a wide range of age groups, and correspond to the curriculum of each grade level. In addition to the download versions available on the online platform, we offer a distribution service of printed materials. In 2010, 272,670 printed Post+School materials have been sent to addresses throughout Germany, an increase of more than 1,000% compared to last year.

For more information and a complete list of materials, please see www.postundschule.de (only available in German).

Clixmix – approach online media responsibly

The Clixmix website provides resources that help elementary schoolchildren to explore the diversity of their world from a number of different perspectives in a fun way. Besides presenting educational materials attractively packaged in movies, audio files, puzzles, interactive images and games, Clixmix is about teaching children to approach media responsibly. The children’s page is a safe and child-friendly space. Supplementary materials for teachers and parents provide information on active media education and offer a multitude of ideas for home and the classroom. Launched in March 2010, the online portal has already recorded very positive feedback from users, teachers and parents. The project is operated under the auspices of Professor Annette Schavan, the Federal Minister of Education and Research in Germany.

Further information is available at www.clixmix.de (only available in German).

Reading aloud in Germany

At Deutsche Post, we are convinced that the ability to read is a key requirement for taking an active part in society, and for success at school and in working life. For this reason, we launched a strategic partnership with the Foundation for Reading (Stiftung Lesen), based largely on the volunteer efforts of our employees in Germany. Since the beginning of 2010, 141 employees have signed up as readers, committing their time to read aloud and bring books alive at pre-schools, schools and libraries.

Soccer camps for girls

In addition to the five Camp4us summer camps within the Teach First Deutschland partnership, a 10-day “girls’ soccer camp” pilot program was held in 2010, attended by 68 girls aged 11–16. This camp combined training on the soccer field with work on project topics such as sports journalism, sports media, sports and health, and sports design and sports choreography; a focus on careers was also integrated into project work.

The girls’ soccer camp was held in cooperation with the German Football Association, under the patronage of former international player Renate Lingor, while the educational part of the camps was organized by the German Sport University Cologne and the German Child and Youth Foundation. The girls were supported, both in the practical soccer instruction and in their sport-focused projects, by students at the German Sport University Cologne and volunteers from Deutsche Post.

Further information is available at www.camp4us.de (only available in German).

Local community projects

Our social engagement as a company is complemented by our employees' volunteering activities. We rely on the voluntary commitment, the abilities and the enthusiasm of our around 470,000 employees around the world to bring our Corporate Responsibility (CR) strategy to life. All over the world, our employees are engaged in local community investment initiatives, contributing to the societies in which we live and operate.

We are convinced that encouraging our employees' engagement benefits society, the company and the employees themselves. Through their projects, our employees around the world demonstrate their sense of responsibility, their leadership competencies and their ability to work in a team. They decide what projects they want to commit their time to and shape the outcome with their knowledge and skills. Local community projects also strengthen our employer brand. To work in a socially responsible company culture fosters our employees' loyalty and provides a platform for cross-departmental and cross-divisional collaboration. Furthermore, customers see our company in a different light, which helps to strengthen our brand and competitiveness.

As our headquarters is in Bonn, we have a special connection to the city and the surrounding region. Our program "For Bonn. In Bonn." has been a tradition for years and is an important part of our local commitment.

Selected projects

"Un techo para mi país" – a roof for my country

GoHelp

225 DHL employees from Central America supported the non-profit organization "Un techo para mi país", which strives to improve the quality of life of impoverished families through the construction of transitional houses and the implementation of social inclusion programs. In Latin America, 280 million people are affected by poverty, and lack basic services like water, electricity or sewage. Since 1997, "Un techo para mi país", created and led by university students and young professionals, has addressed these challenges.

In its 12 years of existence, the institution has constructed over 70,000 transitional houses and developed social inclusion programs involving over 24,770 families, improving their capacity to carry out local development and integration projects. Especially after natural disasters like Hurricane Ida in El Salvador, the support of "Un techo para mi país" is needed. In cooperation with the NGO, employees from DHL Express, Global Forwarding and Freight, Supply Chain and the regional DHL Disaster Response Team Americas were deployed in El Salvador, Guatemala, Argentina and Panama, building 100 houses in 2010 to give families a secure roof over their heads.

In addition to personal support from DHL employees, the project received funding through Deutsche Post DHL's Living Responsibility Fund. (<http://www.untechoparamipais.org/>)

Delivering clean water to Hungarian flood victims

GoHelp

During the floods in Hungary in May 2010, employees of DHL Freight stepped in to help with the donation and delivery of fresh mineral water bottles. Hungary's second largest river, the Tisza, and several of its tributaries had flooded large segments of the country, destroying homes and forcing the evacuation of hundreds of people to temporary shelters. One of the main problems facing these refugees was the limited amount of clean drinking water in the area due to overflowing sewage and other pollutants in the floodwaters. With the financial support of other business units in the country, DHL Freight organized the purchase of 15,000 bottles of mineral water and delivered them to the affected area, free of charge. DHL Freight was in constant contact with the Hungarian Government's disaster recovery team and the Hungarian Red Cross. It stored the donated packages in its Budapest warehouse and delivered them three times per week to the affected region for the disaster recovery team to distribute.

Making kids strong through sports – Jambo Bukoba in Tanzania

GoTeach

The non-governmental organization Jambo Bukoba e.V. focuses on the empowerment and education of children and youths in Tanzania. With its "Life Skills for Games" program, the organization offers training for teachers, which focuses on helping children to gain self-confidence and to learn respect for one another through sports. The children experience team spirit and learn about leading healthy lives, with a particular focus on HIV/AIDS awareness. The program was developed by the German Olympic Sports Confederation (DSOB). About 30,000 boys and girls have already benefitted from this initiative and by the end of 2011, we hope to get 100,000 children involved. The organization is supported by 10 employees at Deutsche Post DHL, both financially and through personal involvement. They act as program ambassadors and support the project by sharing their skills and talents, whether for translation services, transport or organizational tasks.

In addition to personal support from the DHL employees, the project received funding through Deutsche Post DHL's Living Responsibility Fund. (<http://www.jambobukoba.com>)

Support for "Children First Academy"

GoTeach

The largest school for homeless children in the United States received support from DHL Express US Direct Channel Sales team in Arizona, who tried to make the daily life of the students from the "Children First Academy" easier. The "Children First Academy" strives to create an environment where underprivileged students have the opportunity to put aside their personal, family and economic struggles and become academically successful. To provide ongoing support for the school, which educates and provides supplies to over 300 homeless children in the Phoenix area, a local employee group in Tempe, Arizona, got active. Through fundraising events and volunteering activities, 47 DHL employees collected food, clothing and water for the children and raised more than US\$10,000 for the school.

The Academy also received financial support from Deutsche Post DHL through the Living Responsibility Fund.

Professional mentoring for orphans in Madagascar***GoTeach***

Deutsche Post DHL employees offer professional mentoring to orphaned and abandoned children growing up in the SOS Children's Village in Madagascar. The youths living there are aged between 17 and 23, and face the decision to either continue their education or drop out of school. In order to support the youths at this critical turning point, 67 DHL employees from Madagascar decided to provide professional mentoring. In groups of four, they help one young person to prepare for graduation and provide access to Deutsche Post DHL. In this way, in 2010, 17 youths have been successfully motivated to further develop their skills and knowledge. Activities also included a visit to the local airline Air Madagascar, as well as joint efforts for a reforestation project during Volunteer Day. All employees in Madagascar are involved in the project, and their cooperation in this special activity improves communication in their daily work.

In addition to the personal support from the DHL employees, the project received funding through Deutsche Post DHL's Living Responsibility Fund.

The Child Happiness Organization – education as a way out of poverty in Kenya***GoTeach***

In partnership with the non-profit organization The Child Happiness Organization (The CHAPP), DHL employees help to improve the educational situation of children in Kenya with personal involvement and donations. The CHAPP is a community-based charitable, non-profit organization based in Naivasha, Kenya, and currently has about 30 children aged between six and 14 in its pre-school. Supervision focuses on teaching basic reading, writing and arithmetic, which in Kenya is a prerequisite to attend primary school. In cross-divisional cooperation, employees from Deutsche Post DHL support the organization with money and in-kind donations, while some employees sponsored a child to ensure they could attend The CHAPP pre-school, as well as the local primary and secondary school.

In addition to personal support from DHL employees, the project received funding through Deutsche Post DHL's Living Responsibility Fund. (<http://www.thechapp.org>)

Fruit for Poverello***Others***

Employees from DHL Freight Belgium cooperate with the non-profit organization Poverello, which provides food and basic living essentials for the homeless and people with HIV/AIDS. Eighteen Deutsche Post DHL employees supported the organization by collecting fruit, and delivering them to homeless people in Belgium. All departments from DHL Freight in Belgium are involved in this project.

The project has also received funding through Deutsche Post DHL's Living Responsibility Fund.

Ban Mueng Song Tho School***GoTeach***

Employees of DHL Supply Chain in Thailand supported an underprivileged school in Thailand. The Ban Mueng Song Tho school is attended by 450 children from poor families and is situated in the mountainous Kanchanaburi province. The project's aim was to build an art room and a playground for the pupils, provide a water filtration system and renovate the classrooms. In addition to their personal engagement, the employees collected donations and organized fundraising events. Supported by colleagues from Singapore, Vietnam and the Philippines, donations over €10,000 were collected.

The school also received funding through the Living Responsibility Fund of Deutsche Post DHL.

Education Program “1+167=168”***GoTeach***

In the “1 + 167 = 168” project, employees from DHL Russia teach children in a psychic-neurological hospital, in which there are about 100 boys, aged six to 15, with different psychic-neurological diseases. The initiative helps children to graduate from school and also teaches them to think independently and solve problems. Since April 2010, a group of employees spends an hour a week in the hospital, teaching a group of 25 children in different subjects. The goal is to positively impact on the education of the children. In addition, the employees organized charity events to support all the children in the hospital. In total, 40 employees were involved in the project, which started in early 2010 and will continue in 2011.

In addition to the outstanding engagement of DHL employees, the Big Change Foundation received funding through Deutsche Post DHL's Living Responsibility Fund.

World Environment Day 2010***GoGreen***

Each year, 5th June is World Environment Day, which the United Nations uses to raise worldwide awareness of environmental issues. More than 14,000 Deutsche Post DHL employees from all corporate divisions and across 80 countries followed the call and registered their “green” commitments on the corporate intranet site; initiatives included cycling to work or cleaning up local green spaces.

For every registered employee and for all employees completing the GoGreen e-learning program within this timeframe, the corporate GoGreen team donated one square meter of protected habitat for a biodiversity project in Brazil. In total, 35,000 square meters were donated to the initiative, which protects the local flora and fauna in the Lagoa da Conceição region. The team also included the 16,000 employees at DHL Exel Supply Chain Americas who completed the GoGreen e-learning tool on this day, and another 5,000 employees who completed the training in May and June.

The project in Brazil fits perfectly with the motto of this year's World Environment Day: “Many Species. One Planet. One Future.” It is based on the year of biological diversity proclaimed by the United Nations.

Supporting Habitat for Humanity in the United States and Canada

Others

Employees worked as volunteers in 10 local communities across the United States and Canada, and helped to build houses in cooperation with the non-profit organization Habitat for Humanity. The organization builds, rehabilitates and repairs simple, decent houses with the help of homeowner families, volunteers, and donations of money and materials. More than 100 DGF employees partnered with Habitat for Humanity to build houses in eight US and two Canadian locations (Chicago, Dallas, Houston, South Florida, Los Angeles, Newark/New York, San Francisco's Bay area, Seattle's metro area, Toronto and Montréal). In a joint effort with other volunteers, employees supported construction works and painted houses.

In addition to personal support from employees, the project received funding through Deutsche Post DHL's Living Responsibility Fund.

Help for children and youths in Burkina Faso

GoTeach

More than 200 employees from the MAIL service branch in Kiel support the German association Sahel e.V. through personal involvement as well as material and monetary donations. Sahel e.V. provides financial support to a number of facilities and projects for disadvantaged children and youths in Burkina Faso. These include an orphanage, a women's counselling centre, a health facility and various workshops. Many of the employees are not only familiar with the project but also identify strongly with it. They run fundraising events in their service branch and collect in-kind donations, which are then sent directly to Burkina Faso.

In 2010, around €3,000, as well as eight roll cages of goods, were donated. The money will be used for tuition fees and the construction of a wall around a farm.

In addition to the support of the employees, the project received funding from the Living Responsibility Fund.

Reforestation Singapore's nature reserve during Volunteer Day 2010

GoGreen

During DHL Volunteer Day 2010, employees from Singapore took part in a reforestation and tree-planting activity, as part of its efforts to support climate and environmental protection. The project has been supported by DHL employees for three consecutive years. Employees from all divisions and offices in Singapore got involved and planted trees in the MacRitchie Reservoir. In total, 150 trees were planted by 150 employees, officials and volunteers from the National Parks Board.

To further strengthen this reforestation initiative, the project received funding through the Living Responsibility Fund by Deutsche Post DHL to support the reforestation efforts further.

How are you, my friend?***GoGreen/GoTeach***

Employees from Romania, Turkey and the Czech Republic got involved in a summer camp for children, during which they taught simple English phrases and tried to strengthen the environmental awareness of the children. With hands-on, outdoor lessons, easy English conversations, vocabulary and songs were practiced with the children. The project wants to provide an informal learning setting for children, especially from poor families. The lessons were taught by young employees from the company who want to develop leadership skills and to experience different responsibilities. At the 2010 summer camp, 11 children attended the lessons and received in-kind donations like backpacks, T-shirts and learning material.

The partner organization of the project received funding through the Living Responsibility Fund by Deutsche Post DHL. This will be used to buy computers to improve the children's computer skills.

Trails Tour and Beach Waste Collection in Taiwan***GoGreen***

Eighty employees and their families from DGF Taiwan showed their respect for the environment by joining their annual GoGreen event – the Trails Tour and Beach Waste Collection – on the north-east coast of Taiwan. The event started with a guided tour, which explained the geographic characteristics and special plants of the mountain trail areas before everyone collected waste (around 170 kilograms) from the beach. DGF Taiwan also provided fans made of paper as an “eco-giveaway” to all volunteers, who also received an appreciation letter from the local coastal authority in recognition of their efforts. This event enhanced the awareness of the importance of nature and a clean environment, as well as behavior of waste handling and management. The whole team enjoyed this great event and was glad that they had the opportunity to engage with colleagues and their families, and work together to help to protect a beautiful place.

Christmas gifts and donations for children in Romania***Others***

Inhouse Consulting employees wrapped presents for children in Romania and collected donations for the organization “Das kunterbunte Kinderzelt”. The organization supports the poor families of Balan and Gheorgheni, both of which are affected by high unemployment and widespread social problems. By increasing educational opportunities in these communities (through kindergarten support, school funding and sponsorship programs), the organization hopes to provide the children with a way out of the poverty cycle.

Every year, the NGO organizes a Christmas initiative to give each child a Christmas present. During the annual Inhouse Consulting Offsite event, the Inhouse Consulting teams from Bonn, Fort Lauderdale and Singapore packed 2,000 parcels filled with donated gifts. MAIL provided the boxes free of charge for the project. Inhouse Consulting teams also collected donations. DHL Freight transported the parcels to Romania just in time for Christmas.

In addition “Das kunterbunte Kinderzelt” received financial support through the Living Responsibility Fund by Deutsche Post DHL for the voluntary commitment of the Deutsche Post DHL employees.

Support for pediatric hospice in Stuttgart, Germany***Others***

The initiative supports the first pediatric hospice facility in Stuttgart. The hospice facility provides support for children with life-limiting conditions or illnesses and their family members through full-time employees and volunteer workers. The project involves fundraising activities and donation drives organized by employees from the MAIL division. Fundraising takes place at DHL Parcel Sales Branch, Köngen (in the Stuttgart area) through customer events and events held in private organizations. The central focus is SB Köngen’s annual Christmas tree-cutting event, with proceeds going to the hospice. Customers and their families are invited to the Christmas tree sale, where employees work as volunteers. Flyers and posters are used to publicize the event in an effort to maximize donations for the cause. DHL plans to provide long-term support to the hospice, to increase the public’s awareness of what a children’s hospice does and why this kind of service is so urgently needed.

In addition to personal support from our employees, the project received funding through Deutsche Post DHL’s Living Responsibility Fund.

Reward and recognition

We encourage all employees to donate their time, help them to set up their own projects by offering a “Community Investment Toolkit” and provide additional resources necessary to make their volunteering activities a success.

Living Responsibility Fund

To address local challenges and to recognize and financially support employee-led projects all over the world, we launched the Living Responsibility Fund in September 2010. The fund replaces the Corporate Responsibility Award, which was introduced in 2009.

Employees can apply with a detailed description of their local project which should, ideally, support one of our focus areas: Environmental protection, disaster management and education. Based on the intensity of the volunteering activities of our employees in local projects, the financial support offered can range between €500 and €4,000. Deutsche Post DHL transfers the funding directly to the non-profit organization as a donation. Applications can be submitted throughout the year, and selection and payment take place three times a year. Annually, a total of up to €300,000 will be donated to local community investment projects involving employees. In 2010, 42 local employee-led initiatives received funding.

CEO Awards

Our CEO Frank Appel rewarded outstanding projects that have made a particular contribution to the company's success with a new CEO Award this year: The "Living Responsibility" Award. The award recognizes the committed employees and teams behind these projects, and rewards their outstanding contributions to the GoGreen, GoHelp and GoTeach programs or participation in local community projects. Judging panels comprising senior management assess the applications from across the divisions and nominate a winning project in each category. In addition to the new "Living Responsibility" award, the CEO Awards also have "Provider of Choice", "Investment of Choice" and "Employer of Choice" categories. In March 2011, Frank Appel presented the winner of the CEO Awards 2011 at the Top Executive meeting.

More employees than ever take part in DHL Volunteer Day 2010

Introduced in Asia-Pacific in 2008, the annual DHL Volunteer Day is another way we foster support for our three corporate responsibility pillars: GoGreen, GoTeach and GoHelp. Held over a period of 11 days in September, DHL Volunteer Day 2010 attracted some 30,000 employees, customers and business partners in more than 100 countries across Asia, Africa, Americas, Europe and the Middle East, with individuals volunteering their time for a variety of local community projects. The motto of DHL Volunteer Day is "Making a Difference. Enabling the Future."

Around the world, DHL has initiated local partnerships with non-governmental organizations (NGOs) and welfare organizations to embark on community projects. For example, under GoGreen, there were many reforestation projects, with employees planting thousands of trees, as well as cleaning neighborhoods, beaches and parks. Many of our colleagues contributed to our GoTeach program by spending time refurbishing schools and orphanages, coaching and mentoring students, and donating educational materials to underprivileged students. Under GoHelp, for example, DHL volunteers from Gambia traveled to flood victims suffering the after-effects of recent torrential rains and donated bags of rice and bottles of cooking oil to a local disaster relief agency.

Monitoring

To measure results for both society and our business, we have continued to improve the reporting of our activities and their results. In 2009, Deutsche Post DHL set up an online database to collect information on community investment projects. In addition to a detailed project description and information on the partner organization, employees need to provide information on the inputs and outputs of their involvement.

Using the IOOI (Input, Output, Outcome, Impact) methodology, developed in cooperation with the Bertelsmann Stiftung and a working group of German companies (including Deutsche Post DHL), we want to encourage a strategic and sustainable approach to local initiatives and to report them transparently. The online database is also used for submitting applications for the Living Responsibility Fund. Putting a reliable system in place to track the many donations is a huge undertaking. But through this platform, employees can share information on their commitment with other Deutsche Post DHL employees throughout the year.

For Bonn. In Bonn.

Bonn is not only the site of our Group headquarters; it is also home to 6,000 of our employees. Our “For Bonn. In Bonn.” program is intended to express our special connection to Bonn and the surrounding region.

Our Corporate Responsibility (CR) strategy forms the basis of our involvement in Bonn, and education and environment are the two principal areas of focus. Additionally, we also support projects related to music in Bonn, the city of Beethoven – a sign of our belief that music brings people from diverse backgrounds together and improves the cultural life of a community.

In 2010, we were again the lead sponsor of the spectacular fireworks show “Rhine in Flames” (“Rhein in Flammen”) in Bonn. As part of this sponsorship, we organized a Family Day on 2nd May 2010, along with the Stadtwerke Bonn and the Sparkasse Köln/Bonn.

Cooperation with schools in Bonn

Deutsche Post DHL cooperates with a number of schools in Bonn, to offer support to students in planning their future careers and lives. We organize a range of learning opportunities, including outdoor activities, internships, social skills and job application seminars, and project weeks. Furthermore, to improve students’ basic business skills, we have launched projects such as Fit for Finance and support business@school.

Schools we cooperate with:

- Bertolt-Brecht-Gesamtschule (Comprehensive school)
- Gesamtschule Troisdorf (Comprehensive school)
- Ernst-Kalkuhl-Gymnasium (Secondary school)
- Friedrich-Ebert-Gymnasium (Secondary school)
- Helmholtz-Gymnasium (Secondary school)
- Realschule Troisdorf (Intermediate Secondary school)
- Integrierte Gesamtschule Bonn-Beuel (Comprehensive school)
- GHS Anne-Frank-Schule (General Education Secondary school)

Career orientation week at Friedrich Ebert Secondary School, Bonn

Friedrich-Ebert-Gymnasium became one of Deutsche Post DHL’s partner schools in 2010. The goal of this partnership is to support the school in its educational activities by providing a more practical focus and assisting students in their career orientation and preparation.

In a two-week project in January 2010, Human Resources (HR) experts from Deutsche Post DHL held two four-day workshops. The first workshop covered “Jobs and career opportunities in the logistics industry” and in the second, entitled “Career orientation and applying for jobs”, students focused on planning for their careers and futures; areas of focus included writing applications, candidate selection and job interviews. On the final day of the projects, students had an opportunity to apply what they had learned in mock interviews with Deutsche Post DHL HR staff, gaining feedback and valuable experience for the future.

In September 2010, we held an additional project week. The focus this time was on introducing students to business to prepare them for the school competition “business@school”. Students learned how to prepare financial statements and calculate figures.

Fit for Finance

Our “Fit for Finance” school project takes a preventive approach toward the problem of debt among young people. Employees from the Group consulting service Deutsche Post DHL Inhouse Consulting teach the fundamentals of economics over a four-week period on a pro-bono basis. An additional four-week period with our cooperation partner, the Consumer Advice Center (Verbraucherzentrale) in Bonn, offers practical tips for everyday life and the basics of consumer law.

In 2010, we held Fit for Finance at two secondary schools (Gymnasien) and one comprehensive school in Bonn. During the course, a total of 96 students from grades 10 to 12 learned the basics of law and what to watch out for regarding legal capacity, warranties, guarantees and credit contracts, all taught in a practical setting. Additionally, important topics such as owning a flat, financing a degree course or professional training, and current issues such as the causes of the current world economic crisis were discussed.

The project aims to bring the important topics of business and consumer law into a school setting. In addition, working with students was a completely new experience for our employees, and one that allowed them to develop their personal skills.

business@school

This Boston Consulting Group initiative aims to build bridges between businesses and schools. Each year, the project gives more than 2,000 students the opportunity to experience business first-hand over the course of 10 months. Launched in 1998, the competition has gained international recognition. Over 70 schools in Germany, Italy, Austria, Switzerland and Singapore participate every school year. The students are supported by volunteers from major international companies.

In the 2009/10 school year, 20 Deutsche Post DHL employees volunteered to support 60 students from the three schools in Bonn participating in the program. Students learn to analyze annual reports and each student team develops their own business idea with a business plan that includes a financing concept, among other things. By the end of the school year, participants can speak as fluently about financial figures as they can about what they read in German class. Besides imparting business knowledge to the students, key qualifications such as working in teams are part of the curriculum.

For further information, please see www.business-at-school.net

Working with the University of Bonn, Germany

For several years, we have cooperated with the University of Bonn, particularly supporting career preparation and advice with its “Away game for academics” and the “Perspective on business” programs. In addition, we offer assistance to gifted students through the North Rhine-Westphalia scholarship program and provide financial support to the University of Bonn’s annual graduation celebration, of which we have been primary sponsor since 2005.

Away game for academics

This professional one-day workshop on job applications consists of a simulated assessment center, and is aimed at selected students who have almost finished their degree. Participants also obtain exclusive insights into the structure of Deutsche Post DHL Group and information on career opportunities in logistics. In 2010, the “Away game” was held for the fourth time.

Perspective on business

“Perspective on business” is intended to support young students in the arts and humanities with their career planning, and show them career paths in business. Young professionals from Deutsche Post DHL report on their career paths, supplementing the advisory services of the student advisory office. Furthermore, the young Deutsche Post DHL professionals hold consultation hours on career planning for University of Bonn students. These one-on-one sessions allow for a more personalized approach to the individual students’ needs.

Find out more at the **university’s website**

([https://cams.ukb.uni-bonn.de/\(S\(vskquad55t0bww2y5hxddad55\)\)/public/cms_page.aspx?pageId=86](https://cams.ukb.uni-bonn.de/(S(vskquad55t0bww2y5hxddad55))/public/cms_page.aspx?pageId=86))

North Rhine-Westphalia scholarship program

Since the 2009/10 winter semester, Deutsche Post DHL has been supporting the scholarship program of the state of North Rhine-Westphalia. We sponsor five outstanding students at the University of Bonn for a two-year period.

Violence prevention in Bonn-Medinghoven

In a new partnership, five social institutions have teamed up with the Office for Youth, Children and Family of the city of Bonn and Deutsche Post DHL’s Corporate Security Team to lend social stability to a fragile Bonn neighborhood. The aim of the “Social Area Project Medinghoven” is to decrease the high rate of social exclusion and crime among children and young people in this socially disadvantaged neighborhood and to integrate them into society by means of supervising at-risk young people directly.

This is possible through the support of all partners in the project and the core competencies they bring. The financial support of the Group has made possible a number of exciting educational events, such as a trip to a climbing park and an overnight camping trip in a forest. We also supported the creation of a meeting place in an apartment in the neighborhood. The key factor in this project’s success, however, is the voluntary involvement of all partners. Deutsche Post DHL Corporate Security employees, for example, volunteer to collect donations for financing a variety of events and activities, such as the recent purchase of soccer jerseys for the neighborhood’s children. Furthermore, our employees also organize leisure activities when necessary. As well as a full schedule of soccer training sessions and games, our employees even arranged a trip to see the Under-19 national soccer team in Saarbrücken.

Corporate Security chose to support this project as an opportunity to contribute to stability and violence prevention in Bonn, the city where our headquarters is located. The children and young people assisted by the project have been stabilized and are making good progress.

Bonn Environmental Award

Every two years since 2005, the city of Bonn and Deutsche Post DHL have recognized and rewarded voluntary initiatives that encourage citizens to get involved in protecting the environment, and that raise interest in local Agenda21 activities, with the Bonn Environmental Award.

The Environmental Award, with prize money of €5,000, seeks to create enthusiasm among citizens for issues such as climate protection, nature and resource conservation, and energy and mobility awareness. The Deutsche Post DHL Group has set itself ambitious climate protection targets and our sponsorship of the Award underlines the Group's commitment to preserving natural resources.

The Bonn Environmental Award 2009/10 was shared among four winners:

- €2,000 was awarded to the elementary school GSV Marienschule-Nordschule for its project "Environmental Investigators in the Orchard"
- €1,000 went to Amaryllis eG for its multi-generation housing project in Vilich-Müldorf
- €1,000 was received by the Daamen family for their renovation of their residential property, resulting in energy savings of 95 %
- €1,000 was awarded to the companies Lichterei and City-Foto for their unique cooperation on the reuse of packaging materials.

The DHL Innovation Center's special award of €2,000 for particularly successful educational projects went to the student initiative "Weitblick Bonn" ("Vision Bonn"). The panel was especially impressed with their project BiBo (Bildungspatenschaften Bonn/Educational Mentoring Bonn), which provides children from minority ethnic backgrounds with student mentors to support them with schoolwork and day-to-day life.

"Paper Angels"

This competition for school classes requires children to keep a look out for products made of recycled paper that bear the "Blue Angel", the most rigorous seal of quality and specification for products made from 100 % recycled paper. The classes that collect the most "Blue Angel" logos at the end of the collecting period receive a financial reward for their class funds.

Deutsche Post DHL, the city of Bonn and the OroVerde Rainforest Foundation initiated this project in 2008, with the aim of teaching fifth-graders in Bonn's schools about sustainable ways to use paper and the benefits of recycled paper.

The project is an emphatic success: In 2010, 48 classes collected 21,923 "Blue Angels" over a period of four weeks. Results like these prompted the project's official recognition in 2009 as a successful contribution to the United Nations Decade "Education for Sustainable Development".

Lead sponsor of the Beethoven Festival 2010

Deutsche Post DHL has been the lead sponsor of the international Beethoven Festival (Beethovenfest) in Bonn since 2004. In addition to our financial commitment, we host performances free of charge in our Post Tower Lounge throughout the festival, with 24 events taking place there in 2010. Almost 3,000 free tickets were snapped up and lovers of good music value the event's varied program, with its particular emphasis on giving young musicians a chance to perform.

Additionally, we support the festival's opening event, at which students from local schools present their interpretations of classical music at a number of open-air concerts in Bonn's city center.

We complete our musical focus on Beethoven in Bonn with our support for the Beethoven-House, a museum and concert venue, and the Beethoven Orchestra. We give our employees the opportunity to enjoy Beethoven's music by regularly providing tickets for Beethoven events at special prices or free of charge.

For further information, please visit www.beethovenfest.de

Songwriter contest: "XpressYourself"

In addition to our long-term commitment to the Beethoven Festival, we also support a quite different kind of music in Bonn. In 2007, we teamed up with the Pop Academy Baden-Württemberg to launch a songwriting competition that encourages young people to express their creative talents. The contest also helps young people to develop their personal qualities, and at the final concert, the finalists perform in front of a large audience.

"XpressYourself" is aimed at students in grades 5–13 at schools in Bonn and the surrounding area. Since its launch, the songwriting competition has received an overwhelming response. Every year, the panel of expert judges has been impressed by the diversity and creativity of the large numbers of entries from bands and solo performers. Styles range from rock and pop to rap and hip hop.

Schools attended by the winning students receive a total of €16,000 to purchase musical instruments and equipment, thus benefitting several generations of future students. The winners also receive further support for their musical talents in the form of professional coaching sessions from Pop Academy experts.

For further information, please see www.xpress-yourself.de (only available in German)

PERFORMANCE



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Our performance

We are committed to improving our performance in the field of Corporate Responsibility (CR). This section includes data and information which will help you to track our progress.

About our Report

Our overall approach to CR reporting.

Targets

Our specific aims in each of our CR focus areas.

Data

All data references for each of our CR focus areas.

Awards

Awards we have received for our CR performance.

Rankings and ratings

How our CR performance is ranked and rated by others.

GRI Index

Our reporting in view of the GRI global reporting framework.

UNGC COP

Our Communication on Progress (COP) on our efforts to uphold the ten principles of the United Nations Global Compact (UNGC).

Assurance statement

The auditor's assurance statement for our CR Report 2010.

About our Report

The goal of our Report is to present, in a transparent way, the Deutsche Post DHL approach to Corporate Responsibility (CR) and explain how we address our material economic, environmental and social impacts. We want to illustrate our progress, and describe the challenges we have faced, and which we still face, on our way to fulfilling our motto of “Living Responsibility”.

The Report is an integral and living part of our Deutsche Post DHL corporate website. We therefore also aim to provide updated news and additional items to account for significant changes that occur before the next full update, scheduled for the second quarter of 2012. The PDF documents for download will remain unchanged as a reference to the version of the Report as initially published.

Reporting period and boundaries

The Corporate Responsibility Report 2010 covers the period from January to December 2010. It was published on 23rd May 2011. In the Downloads section, you can find, as PDF files, essential content from this Report on its publication date. Pages that have been updated since the Report was launched can be identified by the “Last change” date on each page, and also by checking in the What’s new section.

This Report covers all the Deutsche Post DHL divisions, subsidiaries and legal entities in the over 220 countries and territories where we are present (see the Annual Report) for more information. Details of organizational changes which could affect year-on-year comparability of the data, where applicable, are included in the footnotes to the graphs and charts.

GRI

We have prepared this Report with reference to the third version of the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, known as “G3”, and to the GRI Sector Supplement for the Logistics and Transportation Sector.

The GRI defines three **levels of application** (<http://www.globalreporting.org/GRIReports/ApplicationLevels>) in CR reports: C, B and A, with A being the most comprehensive. A “plus” (+) designation signifies that a report has been assured by an external organization. We have assessed this Report against GRI requirements and believe it complies with a “B+” level of application.

For more information on our performance against the GRI’s criteria, please see the GRI content index in this chapter.



All content shown on this page has been reviewed by PwC

> See assurance statement www.dp-dhl.com/en/responsibility/performance/assurance_statement.html

Assurance

We set out to provide information and data that are trustworthy and credible. Therefore, important data and information in our CR Reports since 2006 have been reviewed by an independent third party.

With this Report we have expanded the scope of external assurance to include not only specific data and statements but also many complete web pages. This included a review of the complete CR strategy section and many sub-pages of the other sections. This is part of our effort to further enhance transparency and credibility of our CR reporting.

The data and statements in this Report that are subject to a limited assurance statement by PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft (PwC) are marked accordingly.

Please see the auditor's Assurance statement for more information.

Reporting team

The CR Report 2010 was produced by a team of employees from several corporate departments at the Deutsche Post DHL Headquarters in Bonn, Germany. The project is led by the Corporate Responsibility Department.

The core project team for the CR Report 2010 comprised: Winfried Häser, Peter Sonnabend, Janine Grunwald, Annett Jacob, Christina Müschen, Michael Sellen, Daniela Spießmann, Annette Wollmann, Lisa Schulz and Jörn Thesen. Additional support was provided by many colleagues from a variety of corporate departments, business units, and regional and country offices.

Support with the design, website construction, editing of English-language text and advisory support was provided by Flag, based in Cambridge, England. Translation and German-language editing was provided by Lennon.de, Münster, Germany

We welcome your feedback on this Report. Please contact us with your comments, queries and suggestions.



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Previous reports

Deutsche Post DHL has previously produced the following reports covering CR issues:

- Environment Report 2003
- Human Resources and Social Report 2003
- Sustainability Report 2006
- Sustainability Report 2008
- Sustainability Report 2009
- Sustainability Report 2009/10

Since 2008, we have produced our CR Reports annually and since the 2009/10 issue, we have published our CR Report fully online, supplemented with a printed highlights brochure.

You can find copies of all CR-related reports in the Downloads section. For more information on Deutsche Post DHL, please see the Group's Annual Reports and other financial publications.

What's new

Please see this section for changes to the Report since its launch on 23rd May 2011 and identify updated pages through the "Last change" date on each page.



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Targets

Within the framework of our Corporate Responsibility strategy “Living Responsibility”, we have set ourselves ambitious targets to achieve the principal objectives of our CR program. Progress towards these targets is reported annually, as well as any new or restated targets.

○ Target achieved ◐ Target ongoing ● New target ⊙ Target restated ● Not achieved

Environment

Target	Due	Status	Notes
Improve CO ₂ efficiency of our own operations by 10 % compared to 2007	2012	○	With a carbon efficiency index of 69 for our own operations (scopes 1 and 2), we achieved an efficiency improvement of 31 % and exceeded our 2012 target in 2010.
Improve CO ₂ efficiency of our own operations and those of our subcontractors by 30 % compared to 2007	2020	◐	With a carbon efficiency index of 88 for our own and subcontracted operations in 2010, we have taken significant steps towards our 30 % target and achieved an efficiency improvement of 12 %.
Complete implementation of our core carbon accounting processes and IT systems	2010	○	Required carbon accounting processes and systems for our scope 1 and 2 emissions have been implemented and are part of the Carbon Accounting and Controlling within the Corporate Controlling of Deutsche Post DHL.
Achieve transparency on the CO ₂ reduction commitment and actual efficiencies of our road carriers	2012	◐	Online survey pilot for Deutsche Post DHL's main road carriers has been conducted in 2010 and set-up of European platform to achieve scope 3 transparency has been started.
Implement carbon accounting processes and IT systems for our scope 3 reporting for all transport modes	2012	●	
All new major investment projects to be assessed for CO ₂ efficiency	2011	○	According to the updated Group-wide Investment Policy, all major investments need to be more carbon efficient than the assets they replace, over the course of the investment period, or deliver other environmental benefits.
Replace at least a further 15 % of our remaining air fleet (baseline year 2009) with more fuel-efficient types of aircraft by the end of 2015	2015	◐	Deutsche Post DHL's continued refueling efforts, primarily in the Americas region, resulted in a major step towards the company's air refueling target. The target is already more than halfway to completion.
Pursue testing of alternative technologies and fuels (hybrid, electric, biofuels)	continuous (reviewed annually)	◐	In 2010, a hybrid truck pilot scheme with Daimler was successfully completed for first generation vehicles, electric vehicle pilots for MAIL and PARCEL Germany have been started, and a Guideline for the Use of Liquid Biofuels has been published.
Increase percentage of our operations which are certified to ISO 14001 standard	continuous (reviewed annually)	●	In 2010, we maintained a level of 49 % of our global workforce working in sites certified to ISO 14001 (2009: 49 %).
Increase percentage of recycled paper purchased through our Procurement organization	continuous (reviewed annually)	⊙	Target has been restated, to only focus on 100 % recycled paper according to the Group-wide Paper Policy. In 2010, the share of fully recycled paper increased to 53 % (2009: 50 %).



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Employees

Target	Due	Status	Notes
Develop a Group-wide diversity strategy	2010	○	We developed a diversity strategy based on extensive analysis of the situation in our company as well as external trends, and aligned it in the Group.
Launch further measures to tackle implications of demographic change	2015	◐	In 2010, we launched a project to analyze the effects of demographic change on parts of Deutsche Post DHL in Germany and to identify suitable measures to mitigate risks associated with demographic change.
Develop a Group-wide Diversity Policy	2012	●	We plan to develop a Group-wide Diversity Policy in close cooperation with HR Management and other stakeholders.
Develop and implement strategic initiatives to support our Group-wide diversity strategy	2012	●	We plan to participate in national and international projects to promote diversity, development of information materials and review of recruitment practice to better meet diversity objectives.
Introduce further monitoring procedures referring to compliance management activities	2010	○	We have made it compulsory for training on Competition Compliance and on Anti-Corruption and Business Ethics to be acknowledged electronically. Moreover, we introduced Group-wide monitoring of trade association memberships and established an overall register of association memberships.
Expand our compliance training portfolio	2010	○	We have provided web-based training on "Competition Compliance" and "Anti-Corruption" in 10 different language versions on our Group-wide e-learning portal.
Expand our health promotion system and develop approach to managing foreseeable health risks such as chronic diseases through design and implementation of respective programs	2012	◐	We have started collaboration with Corporate Risk Management to assess worldwide health-related risks and introduce respective standards (BS 25999). We recognise measures that help to reduce chronic or infectious diseases (HIV/AIDS, malaria, tuberculosis) with our annual Corporate Health Award.
Renew signature of European Road Safety Charter and promote road safety within Deutsche Post DHL with help of information materials and events	2010	○	We signed the renewal of our commitment in March 2010, developed a web-based training program and communicated new information on road safety topics.
Anchor idea management more firmly in our regions and divisions	2010	○	In 2010, we completed the roll-out of idea management in more than 10 countries (e.g. DHL Express Japan, DHL Global Forwarding North America, DHL Supply Chain Italy).
Roll out our e-recruiting platform to more countries and business units	2010	○	Full applicant management completed for Express in: UAE, Egypt, Bahrain, Saudi Arabia, Oman and Kuwait. Full applicant management completed for Supply Chain Resourcing Centre in: UK and Turkey. Positions posted globally for vacancies in over 25 countries. The countries have the opportunity to advertise their vacancies on DHL.com and Job Watch.
Develop a "DHL Academy" based on the example of our "DHL Freight Forwarding Academy"	2010	○	The Divisions have followed the examples set by "DHL Freight Forwarding Academy". DHL Express has established the "CIS" program whereby every Express employee will become a "Certified International Specialist" following a period of training, both in their specialist area and the overall Express business. DHL Supply Chain has established an academy for its Sales force. In 2011, Deutsche Post DHL plans to establish an academy focused on leadership training.



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> See assurance statement www.dp-dhl.com/en/responsibility/performance/assurance_statement.html

Target	Due	Status	Notes
Implement our new internship program "JOIN" and recruit about 20 new participants every year	2011	●	JOIN is a program for all interns who want responsibility, exciting work opportunities and challenging projects. They will be mentored on a long-term basis by senior staff members and will be part of a Deutsche Post DHL key network. The recruitment process for 2011 started in January.
Give about 30 graduates every year an opportunity to take part in our trainee program "GrOW" and learn about our company	2011	●	With our GrOW (Graduate Opportunities Worldwide) program, we are looking for dedicated university graduates who would like to take part in 18 months of challenging tasks, foreign assignments and personal mentoring. This program will prepare them for a distinguished career with Deutsche Post DHL. The recruitment process for 2011 started in February.

Society

Target	Due	Status	Notes
Ensure our DRTs remain ready for action worldwide	continuous (reviewed annually)	●	DRTs fully staffed and trained; successful deployments after earthquakes in Haiti and Chile, and floods in Guatemala and Pakistan; partnership with OCHA extended until the end of 2013; signed Memorandum of Understanding with Honduras.
Define GARD roll-out concept and start roll-out in selected high-risk areas in Asia-Pacific and Americas	2010	○	Approved GARD concept; training in Nepal at five selected airports: Kathmandu Tribhuvan International (TIA), Nepalgunj, Biratnagar, Simara and Pokhara successfully completed in September 2010.
Take GARD to airports in Bangladesh and one further disaster-prone country in Asia	2011	●	
Support UNICEF's work to reduce child mortality in projects in Kenya, Peru and India	2010	○	Successful strategic partnership with UNICEF in the field of health expired at the end of 2010. Country projects in Peru, Kenya and India to fight infant mortality successfully implemented until December 2010, as planned.
Provide employees with more opportunities to volunteer, and improve recognition of their efforts	continuous (reviewed annually)	●	Extended employee participation in DHL Volunteer Day 2010; implemented "Living Responsibility Fund" to recognize and financially support employee-led projects all over the world.
Strengthen our education, environment and disaster management activities and align them with our core business		◎	As a result of our CR strategy, this target has been allocated to the focus areas GoGreen, GoHelp and GoTeach. GoHelp and GoTeach targets and achievements are included in this scheme. Find more details about GoGreen under Environment
Create a volunteer program for Teach First Deutschland	2010	○	Two mentoring programs were successfully implemented in Germany: Chance4you: 25 Deutsche Post DHL employees act as mentors to secondary school students Engage4change: 23 Deutsche Post DHL managers act as mentors to Fellows.
Create a Group-wide GoTeach framework for meeting global educational demands	2010	○	Strategic framework developed, realization ongoing; partnership with Teach first Deutschland, Teach For All and SOS Children's Villages as well as the UPstairs scholarship program.
Support the expansion of the Teach For All network to 30 partner organizations	2013	●	In September 2010, we set up a new partnership with Teach For All. Find more details under Global Partnership with Teach For All
Help to build up new national Teach For All partner organizations in Spain and Brazil	2011	●	In September 2010, we set up a new partnership with Teach For All. Find more details under Global Partnership with Teach For All



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Target	Due	Status	Notes
Support national Teach For All partner organizations in Peru, Chile, Argentina and India to contribute to better education	2012	●	Elements of the partnership are mentoring and career planning for Fellows.
Launch UPstairs scholarship program for children of Deutsche Post DHL employees in Indonesia, Mexico, Romania and South Africa	2011	●	The first scholarship holders from South Africa have already been selected. Implementation is scheduled for spring and summer 2011.
Increase the number of UPstairs scholarships to more than 600 Group-wide	2014	●	The results from 2011 are being evaluated. Roll-out of UPstairs in further countries will start in autumn 2011.
Piloting partnership with SOS Children's Villages in Brazil, South Africa and Vietnam to foster the employability of youths and the continuation of the partnership in Madagascar	2011	●	Besides financial donations, we will give our employees the opportunity to personally contribute through various voluntary activities such as mentoring programs. In addition, we offer training and support to the youths.
Implementation of the YEP! Exchange Year in addition to the YEP! summer weeks	2012	●	



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> See assurance statement www.dp-dhl.com/en/responsibility/performance/assurance_statement.html

Data

Data and quantifiable information are extremely important for our stakeholders and ourselves. They allow us to monitor and benchmark our progress as we strive to improve our performance in CR-related areas.

In this section, you will find a complete list of reference links to the data that we included in this Report, as well as a link to the Deutsche Post DHL Annual Report, which contains our financial data. We are constantly refining how we collect data in order to improve data quality and overall transparency.

We set out to provide information and data that are trustworthy and credible. Therefore, important data and information in our CR Reports since 2006 have been reviewed by an independent third party. Please see the About this Report section and the auditor's Assurance statement for more information.

Economic data

- > Annual Report 2010

Environmental data

- > Carbon Efficiency Index
- > Carbon emissions from scopes 1, 2 and 3
- > Scope 1 fuel use
- > Scopes 1 and 2 energy use
- > Air fleet
- > Road fleet EURO emission standards
- > Non-conventional fuel road vehicles
- > Paper use

Employees data

- > Employees (Deutsche Post DHL) (as at 31 December)
- > Employees by region (full-time equivalents) (as at 31 December)
- > Employees by corporate division (full-time equivalents) (as at 31 December)
- > Employee turnover (Deutsche Post DHL)
- > EOS response rate by division
- > EOS results by KPI
- > Work-life balance (Deutsche Post AG) (as at 31 December)
- > Workforce by gender (Deutsche Post DHL) (as at 31 December)
- > Workforce by gender in top management (Deutsche Post DHL)
- > Workforce by gender recruits (Deutsche Post AG)
- > Citizenship of top management
- > Age structure (Deutsche Post AG) (as at 31 December)
- > Average age (Deutsche Post AG) (as at 31 December)
- > Employees with disabilities (Deutsche Post AG)

- > Sickness rate (Deutsche Post DHL Germany) (annual average)
- > Sickness rate (Deutsche Post DHL) (annual average)
- > Occupational safety (Deutsche Post AG) (as at 31 December)
- > Occupational safety (SUPPLY CHAIN) (as at 31 December)
- > Training (Deutsche Post DHL)
- > Traineeships % (Deutsche Post DHL)
- > Apprentices and trainees
- > Idea management (Deutsche Post DHL) (as at 31 December)

Societal data

- > Data overview on our DRT deployments 2010
- > Deployed volunteers per regional DRT
- > Deployment days by regional DRT
- > Handled tonnes of relief goods by year

Awards

Date	Award	Awarding organization	Link	Recipient
Jan 2010	Best companies for female workers	Labor Ministry Seoul Province	http://wcms.intra.dpwn.net/wcms/folder45657659/folder109463898/folder109463978/bundle219776294.en	DHL Express Hong Kong Ltd for its outstanding OSH performance, the society's determination and dedication in improving the standard of workplace safety and health was well demonstrated.
Feb 2010	Employer Branding Awards, Award 09/10 for Innovation in Career Development	Employer Branding Awards	http://www.employerbrandingawards.com/	DHL Express India in recognition of its innovative career development program "Udaan"
Mar 2010	TRENDS Gazellen 2010 award for the fastest-growing enterprise in the province	Trends: Belgian financial and economic newspaper	http://kanaalz.nnews.be/trends-gazellen	DHL Global Forwarding Belgium
Apr 2010	Responsible Care – Award for Logistics Services	Chemical Business Association	http://www.chemical.org.uk/listDetailPage.asp?listDetailID=121	DHL Supply Chain UK for its company-wide safety campaign
May 2010	Wissenschaftlicher Förderpreis für Ideenmanagement 2010 (Sponsorship award for idea management)	Deutsche Institut für Betriebswirtschaft (dib)	http://www.ideenmanagementdigital.de/aid/bvw_20100308/inhalt.html http://www.dib.de	Walter Scheurle, Labor Director of Deutsche Post DHL
Jun 2010	2009 Excellence in Demand Response Award	Peak Load Management Alliance	http://www.peaklma.com/	DHL Supply Chain North America for its GoGreen engagement, including a regional energy management pilot
Jun 2010	2010 Asia Pacific Green Logistics Service Provider of the Year	Frost & Sullivan	http://www.frost.com	DHL Supply Chain Asia Pacific for relentless efforts and outstanding performance in green logistics
Jun 2010	Business Charity Award	Business Charity Awards	http://www.businesscharityawards.com	DHL UK Foundation for its series of volunteering programs that aim to help disadvantaged children and young people achieve their full potential
Jul 2010	International Safety Award	British Safety Council	http://www.britsafe.org/networking-and-events/international-safety-awards.aspx	DHL Supply Chain UK, Whitwood site, for its comprehensive health and safety policies, commitment to a positive safety culture at every level and providing its workers with the necessary skills and competence to ensure health and safety risks are properly controlled
Aug 2010	Excellence in Human Resources	South Florida Business Journal	http://www.bizjournals.com/southflorida/stories/2010/08/30/focus1.html	John P. Hovnanian, VP of Human Resources and Regional Compliance Officer for the Americas, DHL Global Forwarding
Sep 2010	Two Global HR Excellence Awards	All India Management Association (AIMA) and Indian Oil Corporation Ltd (IOCL)	http://logisticsweek.com/news/2010/10/blue-dart-dhl-honored-with-global-hr-excellence-awards-at-the-asia-pacific-hrm-congress-2010/ http://www.aima-ind.org/	DHL Express India for innovative HR practices, as well as an award for outstanding contribution in the field of education CEO with HR Orientation Award for Anil Khanna of Blue Dart Express
Sep 2010	Zero Accident Campaign Award 2010 – Bronze	Thailand Ministry of Labor		DHL Express International (Thailand) Ltd.

Date	Award	Awarding organization	Link	Recipient
Sep 2010	Occupational Safety and Health Award – Gold	Hong Kong Federation of Insurers/Hong Kong Occupational Safety & Health Award Forum	http://www.oshc.org.hk/eng/promote/promote01.asp	DHL Express Hong Kong Ltd.
Sep 2010	ÖkoGlobe, third place in the category "mobility projects and visions"	ACV, ÖkoGlobe Institute, DEVK	http://www.oeko-globe.de/	Deutsche Post DHL, GoGreen program
Oct 2010	Health and Safety Award/Innovation of the Year Award	Institution of Occupational Safety and Health, London	http://www.iosh.co.uk/news_and_events/news_intro/latest_news_releases/48_shp_innovation_award.aspx	DHL Supply Chain UK with DON-BUR for their "Safe Suzie" standard
Oct 2010	Bicycle-friendly Employer, regional competition Bonn	B.A.U.M. e.V. (German Environmental Management Association), Federal Ministry of Traffic, Building and Urban Development and the City of Bonn	http://www.fahrrad-fit.de/default.asp?Menu=469	Deutsche Post DHL, Bonn for the holistic, systematic approach of increasing the willingness to "bike to work".
Oct 2010	INTERCOMM 2010 Award	The Internal Communicators Russia Association	http://www.garstelecom.ru/en/media_centre/press_release/96801/?c=1	DHL Express Russia for its corporate volunteer program
Oct 2010	"EcoFleet 2010. Clean City" award, category "Most Ecological Fleet"	Avto Biznes magazine, conference organizers 5th Wheel Management and sponsor Mercedes Benz		DHL Russia
Oct 2010	Safety Award/Annual Award for Excellence 2010	Chartered Institute of Logistics and Transport	http://www.ciltuk.org.uk/pages/msci	DHL Supply Chain UK in partnership with Jaguar Land Rover for their "target zero" safety culture
Oct 2010	Personnel Today Awards 2010, Category: Workplace Diversity	Personnel today	http://www.personneltoday.com/articles/2010/12/08/57053/personnel-today-awards-2010-the-winners.html	DHL Supply Chain UK
Oct 2010	GreenFleet Award (Winner of 1st Prize)	FleetCompany GmbH, TÜV Süd	http://www.newfleet.de/news/artikel/lesen/2010/10/tuev-sued-vergibt-green-fleet-award-31904/	Deutsche Post DHL
Nov 2010	Corporate Health Award 2010 in the category transport and logistics	Handelsblatt, TÜV SÜD Life Service and EuPD Research	http://www.corporate-health-award.de/	Deutsche Post in recognition of its "excellent embedding of health management in all corporate processes and its corporate and leadership guidelines"
Nov 2010	Deutscher Unternehmenspreis Gesundheit (German Enterprise for Health Award) – Trade and Transport Category	BKK Bundesverband and the European Commission's "Move Europe" campaign	http://www.deutscher-unternehmenspreis-gesundheit.de/deutscher-unternehmenspreis-gesundheit/preistraeger-2010.html	Deutsche Post DHL for its Corporate Health Policy
Nov 2010	Deutscher Unternehmenspreis Gesundheit (German Enterprise for Health Award) – Special Award "Mental Health"	BKK Bundesverband and the European Commission's "Move Europe" campaign	http://www.deutscher-unternehmenspreis-gesundheit.de/deutscher-unternehmenspreis-gesundheit/preistraeger-2010.html	Deutsche Post DHL for its "SALSA" analysis
Nov 2010	2010 WasteWise award for paper reduction	US Environmental Protection Agency	http://www.epa.gov/osw/partnerships/wastewise/events/2010awardees.htm	Exel Inc. (DHL Supply Chain North America)
Nov 2010	Lean & Green Award	Sustainable Logistics program of the Dutch Government	https://www.mkbeasydesk.nl/nieuws/-/lean-and-green-award-voor-dhl	DHL Netherlands (cross-divisional) for the GoGreen program

Date	Award	Awarding organization	Link	Recipient
Nov 2010	Recycling Performer of the Year	Chartered Institute of Waste Management Awards	http://www.ciwm.co.uk/CIWM/Awards/EnvironmentalExcellentAwards/CIWMEnvironmentalExcellenceAwards.aspx	DHL Supply Chain – J D Wetherspoons, Food Retail sector (UK)
Nov 2010	PEOPLE INVESTOR 2010 Award for the best social project	The Russian Managers Association	http://www.amr.ru	DHL Express Russia for its DHL Charity Team
Dec 2010	Green Office Management Award Bronze	Hong Kong Green Council	http://www.greencouncil.org/eng/event/event_detail.asp?id=197	DHL Global Forwarding Hong Kong Ltd
Dec 2010	Best Foreign Corporation Award	Citizens' Coalition for Economic Justice	http://www.ccej.or.kr/ISSUE/collect_view.html?pagenum=1&Idx=10355&cate3=1&cate1=A&cate2=5&searchitem=T&searchcont=	DHL Express Korea for the improvement of employees' welfare
2010	Potential Park – Top Career Websites 2010 (3rd place in Europe, 5th in Germany)	Potential Park	http://www.potentialpark.com/teweb-ranking-2010/	Deutsche Post DHL
2010	22 different Gold Awards	Royal Society for Prevention of Accidents (RoSPA)	http://www.rospa.com/awards/winners/2010/gold-award.aspx	DHL Supply Chain (various) for well-developed occupational health and safety management systems and culture
2010	The Best Graduate Recruitment Website	Targetjobs/National Graduate Recruitment Awards 2010	http://targetjobsawards.co.uk/winners/student-panel	DHL Supply Chain UK, Ireland and EEMEA
2010	Hong Kong Outstanding Corporate Citizenship Award: Certificate of Merit for Enterprise Sector in Service Industry	Hong Kong Productivity Council	http://www.hkcorporatecitizenship.com/prize_list.htm	DHL Global Forwarding Hong Kong Ltd.

Rankings and ratings

In 2010, investors and analysts showed increased interest in our sustainability performance, with particular focus on how we assess and manage the non-financial risks and opportunities of our business. We are particularly proud of our continued listing in DJSI World and Europe indexes, the FTSE4Good index series, our listing in the Carbon Disclosure Project's Leadership Index with a score of 97 out of 100, and our inclusion in the Carbon Performance Leadership Index with an "A" performance rating.

Rating agency and rating/index	Our 2010 score	Comments
Bank Sarasin/Deutsche Börse AG DAXglobal® Sarasin Sustainability Germany Index 2010	Listed	
Brand Emissions Leaders Project Brand Emissions Leader	Listed	Included in the Transport sector; rating not updated in 2010.
Climate Counts Climate Counts Company Scorecard 2010	Listed score: 74 (out of 100)	Listed as "striding" in the Consumer Shipping sector.
Carbon Disclosure Project CDP2010		
Carbon Disclosure Leadership Index – CDLI	Listed score: 97 (out of 100)	The best score globally is 98; we ranked 2nd in the CDLI Global 500.
Carbon Performance Leadership Index – CPLI	Listed rating: "A" (on a range from "A" to "D")	CDP rated 48 companies from its Global 500 universe in band "A".
ECPI ECPI Ethical Index EMU ECPI Ethical Index Euro ECPI Ethical Index Global	Listed	We were confirmed in the ECPI Index Series.
EIRIS (Ethical Investment Research) and imug (<i>Institut für Markt-Umwelt-Gesellschaft e.V.</i>) FTSE4Good Europe Index FTSE4Good Global Index	Listed	We were confirmed in the FTSE4Good Index Series.
MSCI ESG Index series MSCI World ESG MSCI World ex-USA ESG MSCI EAFE ESG Index MSCI Europe ESG Index MSCI Global Climate Index	Listed	The MSCI Indices succeeded the FTSE KLD Indices.
Sustainable Asset Management (SAM) 2010 Dow Jones Sustainability Index (DJSI)	Listed in DJSI World and DJSI Europe Score: 85 (out of 100)	We are included in the Industrial Transportation sector. The entry level into DJSI World is 74. We achieved full scores – 100 – in the Operational Eco-Efficiency, Fuel Efficiency and Environmental Reporting dimensions.
Vigeo 2010 ASPI – Advanced Sustainable Performance Indices	Listed	
Oekom research Corporate Rating	Rated "C" (not prime)	Biannual rating, last updated 2009 average industry rating: "C".
Newsweek Green Rankings 2010 Global 100	Rank 38 (out of 100)	We ranked 2nd in the "Transport/Aerospace" industry sector.



All content shown on this page has been reviewed by PwC

> See assurance statement www.dp-dhl.com/en/responsibility/performance/assurance_statement.html

GRI index

We have aligned our CR Report 2010 to the Global Reporting Initiative (GRI) G3 Sustainability Reporting Guidelines, as well as the GRI Logistics and Transportation Sector Supplement. GRI defines a number of Application Levels for sustainability reports. We have assessed this Report against GRI requirements and believe it to comply with a B+ Application Level. Information and data relating to each indicator in this framework may be found via the links noted below.

1. Strategy and Analysis

Profile disclosure	Description	Reported	Cross-reference/Direct answer
1.1	Statement from the most senior decision-maker of the organization	Fully	At a glance > CEO statement
1.2	Description of key impacts, risks, and opportunities	Fully	Corporate Responsibility strategy and ethics > Our approach Corporate Responsibility strategy and ethics > Our CR strategy Corporate Responsibility strategy and ethics > Business ethics Corporate Responsibility strategy and ethics > Key issues

2. Organizational Profile

Profile disclosure	Description	Reported	Cross-reference/Direct answer
2.1	Name of the organization	Fully	At a glance > About Deutsche Post DHL
2.2	Primary brands, products, and/or services	Fully	At a glance > About Deutsche Post DHL AR: http://www.dp-dhl.com/reports/2010/annual-report/group-management-report/brands.html
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures	Fully	AR: http://www.dp-dhl.com/reports/2010/annualreport/about-us/group-structure.html CW: http://www.dp-dhl.com/en/about_us/corporate_divisions.html AR: http://www.dp-dhl.com/reports/2010/annualreport/notes/60-list-of-shareholdings-21.html
2.4	Location of organization's headquarters	Fully	Performance > About our Report
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Fully	AR: http://www.dp-dhl.com/reports/2010/annual-report/notes/60-list-of-shareholdings.html
2.6	Nature of ownership and legal form.	Fully	AR: http://www.dp-dhl.com/reports/2010/annual-report/group-management-report/shareholder-structure.html
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	AR: http://www.dp-dhl.com/reports/2010/annual-report/group-management-report/business-activities.html
2.8	Scale of the reporting organization.	Fully	Employees > Strategy and Employers Value Proposition Economic impact Economic impact > Revenue distribution chart AR: http://www.dp-dhl.com/reports/2010/annual-report/consolidated-financial-statements/income-statement.html http://www.dp-dhl.com/reports/2010/annual-report/group-management-report/divisions-overview.html http://www.dp-dhl.com/reports/2010/annual-report/notes/39-issued-capital.html

Profile disclosure	Description	Reported	Cross-reference/Direct answer
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	AR: http://www.dp-dhl.com/reports/2010/annual-report/group-management-report/earnings.html
2.10	Awards received in the reporting period.	Fully	Performance > Awards
3. Report Parameters			
Profile disclosure	Description	Reported	Cross-reference/Direct answer
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	Performance > About our Report
3.2	Date of most recent previous report (if any).	Fully	Performance > About our Report
3.3	Reporting cycle (annual, biennial, etc.)	Fully	Performance > About our Report
3.4	Contact point for questions regarding the report or its contents.	Fully	Contact us
3.5	Process for defining report content.	Fully	Corporate Responsibility strategy and ethics > Our approach Corporate Responsibility strategy and ethics > Engaging with stakeholders Corporate Responsibility strategy and ethics > Key issues
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	Fully	Performance > About our Report
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	Performance > About our Report
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Fully	Performance > About our Report
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	Fully	Performance > About our Report
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Fully	Restatements to data provided in the 2009/10 report are shown in the explanations or footnotes to the data tables and charts.
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	Performance > About our Report
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	Performance > GRI Index
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	Performance > About our Report Assurance statement

4. Governance, Commitments, and Engagement

Profile disclosure	Description	Reported	Cross-reference/Direct answer
4.1	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	http://www.dp-dhl.com/reports/2010/annual-report/about-us/group-structure.html http://www.dp-dhl.com/reports/2010/annual-report/corporate-governance/members-of-the-supervisory-board.html http://www.dp-dhl.com/reports/2010/annual-report/corporate-governance/dr-frank-appel.html
4.2	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Fully	The Chairman is not also the CEO. http://www.dp-dhl.com/reports/2010/annual-report/corporate-governance/members-of-the-supervisory-board.html
4.3	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Fully	http://www.dp-dhl.com/reports/2010/annual-report/corporate-governance/members-of-the-supervisory-board.html
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	Engaging with stakeholders Engaging in dialog with our employees Employee representatives http://www.dp-dhl.com/en/investors/services/contact.html
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	Fully	http://www.dp-dhl.com/reports/2010/annual-report/corporate-governance/remuneration-report.html
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	http://www.dp-dhl.com/reports/2010/annual-report/corporate-governance/board-of-management-and-supervisory-board.html
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	Fully	AR: http://www.dp-dhl.com/reports/2010/annualreport/corporate-governance/report-of-the-supervisory-board.html AR: http://www.dp-dhl.com/reports/2010/annualreport/corporate-governance/remuneration-report.html
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Fully	http://www.dp-dhl.com/reports/2010/annual-report/corporate-governance/board-of-management-and-supervisory-board.html
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Fully	AR: http://www.dp-dhl.com/reports/2010/annualreport/corporate-governance/remuneration-report.html AR: http://www.dp-dhl.com/reports/2010/annualreport/corporate-governance/corporate-governance-practices.html
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	http://www.dp-dhl.com/reports/2010/annual-report/corporate-governance/corporate-governance-report.html
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Fully	GoGreen: Our approach to environmental protection Improving our carbon efficiency Managing non-carbon aspects We report on our GoGreen program including our environmental management system. Both add to the precautionary approach in minimizing our business' impact on the environment. The roll-out of our environmental management system helps us to make sure that our sites meet the regulations for transport and storage of hazardous goods.

Profile disclosure	Description	Reported	Cross-reference/Direct answer
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Fully	Corporate Responsibility strategy and business ethics: Our approach Our CR strategy Business ethics Key issues Working in partnership Employee representatives Diversity and equal opportunities Health management Occupational safety Disaster Response Teams Get Airports Ready for Disaster
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	Fully	Working in partnership Rankings and ratings Global partnership with Teach for All Partnership with SOS Children's Villages For Bonn. In Bonn.
4.14	List of stakeholder groups engaged by the organization.	Fully	Engaging with stakeholders
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	Engaging with stakeholders
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	Engaging with stakeholders
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including	Fully	Engaging with stakeholders Key issues
Disclosure on Management Approach (DMA) and Performance Indicators			
Economic			
G3 DMA	Description	Reported	Cross-reference/Direct answer
DMA EC	DMA EC	Fully	Our approach to managing economic performance is covered in our Annual Report and Accounts 2010: http://www.dp-dhl.com/reports/2010/annualreport/index.html Specific information can be found in the following sections can be found in the following sections: http://www.dp-dhl.com/reports/2010/annualreport/group-management-report/business-activities.html http://www.dp-dhl.com/reports/2010/annualreport/consolidated-financial-statements/income-statement.html A brief summary of financial performance is also provided in: Economic impact

G3 DMA	Description	Reported	Cross-reference/Direct answer
	Goals and Performances		http://www.dp-dhl.com/reports/2010/annualreport/group-management-report/business-activities.html http://www.dp-dhl.com/reports/2010/annualreport/consolidated-financial-statements/income-statement.html Economic impact
	Policy		http://www.dp-dhl.com/reports/2010/annualreport/corporate-governance/report-of-the-supervisory-board.html
	Organizational responsibility		http://www.dp-dhl.com/reports/2010/annualreport/corporate-governance/report-of-the-supervisory-board.html
Performance indicator	Description	Reported	Cross-reference/Direct answer
Economic performance			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Partially	AR: http://www.dp-dhl.com/reports/2010/annual-report/consolidated-financial-statements/income-statement.html Economic impact We do not currently report community investment figures.
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Fully	We cover implications and other risks and opportunities for Deutsche Post DHL's activities due to climate change in the Annual Report and in the Environment section of the CR Report. http://www.dp-dhl.com/reports/2010/annual-report/group-management-report/factors-affecting-business.html http://www.dp-dhl.com/reports/2010/annual-report/group-management-report/environmental-management.html Environment > Carbon emissions and efficiency index
EC3	Coverage of defined benefit plan obligations	Fully	http://www.dp-dhl.com/reports/2010/annual-report/notes/7-accounting-policies-5-2.html
EC4	Significant financial assistance from government	Fully	Economic impact http://www.dp-dhl.com/reports/2010/annual-report/notes/7-accounting-policies-4.html http://www.dp-dhl.com/reports/2010/annual-report/notes/53-litigation.html
Market presence			
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	Fully	Deutsche Post DHL complies with all legal minimum wages.
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Partially	Although Deutsche Post DHL has no formal policy on the local hiring of suppliers, the nature of the business is such that most suppliers of major purchasing categories are local (i.e. fuel, transportation services).
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Fully	Diversity and equal opportunities
Indirect economic impacts			
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Fully	Society: Our approach
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Partially	Economic impact Society

Environmental			
G3 DMA	Description	Reported	Cross-reference/Direct answer
DMA EN	DMA EN	Fully	Our approach to environmental management is covered in the Environment section. An overview of our approach can be found in the following section: GoGreen: Our approach towards environmental protection
	Goals and Performances		Environment Targets
	Policy		Business ethics > Our Code of Conduct Our Environmental Policy is available as a download from: GoGreen: Our approach towards environmental protection
	Organizational Responsibilities		Managing Corporate Responsibility GoGreen: Our approach towards environmental protection
	Training and Awareness		Business ethics > Our Code of Conduct Working in partnership Demonstrating leadership Improving our carbon efficiency Managing non-carbon aspects Mobilizing employees Green solutions for our customers
	Monitoring and Follow Up		Business ethics Carbon emissions and efficiency index Managing non-carbon aspects > Environmental management system Targets
	Additional contextual information		Our CR strategy > GoGreen environmental protection Key issues: Environment UNGC COP > Environment Awards Rankings and ratings
Performance indicator	Description	Reported	Cross-reference/Direct answer
Materials			
EN1	Materials used by weight or volume.	Fully	The key material used is paper and paper for packaging, and information is provided in the following section: Managing non-carbon aspects > Non-carbon environmental impacts Our most important resource is fuel for transportation, and this is reported separately in the following section: Carbon emissions and efficiency index
EN2	Percentage of materials used that are recycled input materials.	Fully	Managing non-carbon aspects > Non-carbon environmental impacts

Performance indicator	Description	Reported	Cross-reference/Direct answer
Energy			
EN3	Direct energy consumption by primary energy source.	Fully	Our energy consumption is reported in the following section: Carbon emissions and efficiency index
EN4	Indirect energy consumption by primary source.	Fully	We report our indirect energy consumption in the following section: Carbon emissions and efficiency index
EN5	Energy saved due to conservation and efficiency improvements.	Partially	Our overall efficiency improvement is reported in the following section, however we do not report the total amount of energy saved: Carbon emissions and efficiency index Examples and initiatives of energy conservation and efficiency improvements can be found in the following sections: Improving our carbon efficiency Mobilizing employees Green solutions for our customers
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Fully	Green solutions for our customers
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Fully	Initiatives to reduce indirect energy consumption can be found in the following section: Improving our carbon efficiency > Buildings Mobilizing employees
Water			
EN8	Total water withdrawal by source.	Not	We do not consider water to be a material issue for our business. Water withdrawal is not reported at Group level but at a local level. Our approach to managing water is reported in the following section: Managing non-carbon aspects > Non-carbon environmental impacts > Water
EN9	Water sources significantly affected by withdrawal of water.	Partially	We do not consider water to be a material issue for our business. This is not reported at Group level but at a local level. Our approach to managing water is reported in the following section: Managing non-carbon aspects > Non-carbon environmental impacts > Water
EN10	Percentage and total volume of water recycled and reused.	Not	We do not consider water to be a material issue to our business. This is not reported at Group level but at a local level. Our approach to managing water is reported in the following section: Managing non-carbon aspects > Non-carbon environmental impacts > Water

Performance indicator	Description	Reported	Cross-reference/Direct answer
Biodiversity			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Not	Biodiversity forms part of our GoGreen program's non-carbon environmental impacts. This information is not reported at Group level but is managed at a local level.
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Not	Biodiversity forms part of our GoGreen program's non-carbon environmental impacts. This information is not reported at Group level but is managed at a local level.
EN13	Habitats protected or restored.	Partially	Managing non-carbon aspects > Non-carbon environmental impacts > Biodiversity Mobilizing employees
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Partially	Biodiversity forms part of our GoGreen program's non-carbon environmental impacts. We are compliant with environmental laws and regulations concerning the protection of biodiversity.
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Not	
Emissions, effluents and waste			
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	We report our direct and indirect carbon emissions, the most significant environmental impact of logistics, in the following section (scopes 1 and 2): Carbon emissions and efficiency index
EN17	Other relevant indirect greenhouse gas emissions by weight.	Fully	We report indirect (scope 3) carbon emissions in the following section: Carbon emissions and efficiency index
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	Initiatives to reduce greenhouse gas emissions can be found in the following sections: Improving our carbon efficiency Managing non-carbon aspects Mobilizing employees Green solutions for our customers The following section reports the overall reductions achieved as a result of carbon efficiency improvement: Carbon emissions and efficiency index
EN19	Emissions of ozone-depleting substances by weight.	Fully	This is not a material issue for our business. The use of ozone-depleting substances is only relevant to our cold chain storage business and the amount is marginal with regard to our CO ₂ emissions. This is monitored and managed according to the respective environmental regulations.
EN20	NOx, SOx, and other significant air emissions by type and weight.	Partially	We report the emission classes of our fleet. The EURO emission standards are a qualitative indicator of our road fleet's technical performance with regard to carbon efficiency and other exhaust emissions such as NOx or SOx. Improving our carbon efficiency > Fleet

Performance indicator	Description	Reported	Cross-reference/Direct answer
EN21	Total water discharge by quality and destination.	Partially	We do not consider water to be a material issue to our business. Water is not reported at Group level; it is managed locally. Water is reported in the following section: Managing non-carbon aspects > Non-carbon environmental impacts > Water
EN22	Total weight of waste by type and disposal method.	Not	Waste is not reported at Group level but at a local level. Our approach to managing waste is reported in the following section: Managing non-carbon aspects > Non-carbon environmental impacts > Waste
EN23	Total number and volume of significant spills.	Not	Spills are not reported at Group level but at a local level.
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Partially	As a logistics services group, we produce no significant amounts or specific kinds of hazardous waste. For the transportation of our customers' goods, which is limited to a small number of cases, we follow the requirements for the movement of hazardous goods. See also: Occupational safety
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Not	Due to the nature of our business, our impact in this area is very limited and we do not consider this to be a material issue.
Products and services			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Partially	This is reported in the Green solutions for our customers section. A core target of our GoGreen program is to minimize the environmental impact of our business and services. Green solutions for our customers > Green logistics solutions Green solutions for our customers > Carbon-neutral GOGREEN products and services
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Partially	Due to the nature of our business, we do not consider this to be a material issue. However, we partially report on this by reporting on our consumption of paper, including the use of recycled paper. Environment > Managing non-carbon aspects > Non-carbon environmental impacts
Compliance			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Not	This data is not reported at Group level but currently only at a local level.
Transport			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Fully	We report the carbon impact of transporting goods, including fuel, energy and carbon efficiency data. We also report our scope 3 emissions, which includes emissions from business travel by air. These are the key and most relevant impacts from transportation. Please see the following sections: Carbon emissions and efficiency index Improving our carbon efficiency > Fleet

Performance indicator	Description	Reported	Cross-reference/Direct answer
Overall			
EN30	Total environmental protection expenditures and investments by type.	Not	We do not report environmental investments separately. However, according to our Group-wide investment policy all new investments have to prove a higher environmental efficiency than the assets they replace.
Social: Labor Practices and Decent Work			
G3 DMA	Description	Reported	Cross-reference/Direct answer
DMA LA	DMA LA		Our management approach to labour aspects is covered in the Employees section. Information on our People Strategy can be found in the following section:
	Goals and Performances		Strategy and Employer Value Proposition Employees Targets
	Policy		Business ethics Diversity and equal opportunities Health management Occupational safety
	Organizational Responsibilities		Managing Corporate Responsibility Strategy and Employer Value Proposition
	Training and Awareness		Business ethics Working in partnership Strategy and Employer Value Proposition Engaging in dialog with our employees Employee representatives Diversity and equal opportunities Health management Occupational safety Learning and career development Recruiting and training Promoting employees' ideas
	Monitoring and Follow Up		Business ethics Strategy and Employer Value Proposition Engaging in dialog with our employees Employee representatives Diversity and equal opportunities Health management Occupational safety Learning and career development Recruiting and training Promoting employees' ideas Targets
	Additional contextual information		Our CR strategy > Our People Strategy Key issues: Employees UNGC COP > Labour standards Awards

Performance indicator	Description	Reported	Cross-reference/Direct answer
Employment			
LA1	Total workforce by employment type, employment contract, and region.	Fully	Strategy and Employer Value Proposition
LA2	Total number and rate of employee turnover by age group, gender, and region.	Partially	Strategy and Employer Value Proposition We do not report the rate of employee turnover by age group or gender, or region.
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Not	This information is currently unavailable at Group level.
Labor/management relations			
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	Employee representatives
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Partially	This information is currently unavailable at Group level. Relevant information can be found in the following section: Employee representatives
Occupational health and safety			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Partially	Health management
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Partially	Data can be found in the following section. However, we do not report this information by region: Occupational safety Health management
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	Health management Occupational safety
LA9	Health and safety topics covered in formal agreements with trade unions.	Fully	Health management Occupational safety
Training and education			
LA10	Average hours of training per year per employee by employee category.	Partially	We report the overall average employee training in days. However, currently data is not consolidated by employee category at Group level. Information can be found in the following section: Learning and career development
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Partially	Learning and career development Recruiting and training
LA12	Percentage of employees receiving regular performance and career development reviews.	Partially	Information can be found in the following section: Learning and career development
Performance indicator	Description	Reported	Cross-reference/Direct answer
Diversity and equal opportunities			

LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Partially	<p>We report data on gender, age group, citizenship and disability. Please see the following section:</p> <p>Diversity and equal opportunities</p> <p>The composition of the Board of Directors and Supervisory Board can be found in the Annual Report:</p> <p>http://www.dp-dhl.com/reports/2010/annualreport/corporate-governance/members-of-the-supervisory-board.html</p> <p>http://www.dp-dhl.com/reports/2010/annualreport/corporate-governance/dr-frank-appel.html</p>
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LA14	Ratio of basic salary of men to women by employee category.	Not	This information is currently not consolidated at Group level.
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Social: Human Rights

G3 DMA	Description	Reported	Cross-reference/Direct answer
DMA HR	DMA HR	Fully	<p>Our management approach to human rights is covered in the following sections:</p> <p>Business ethics</p> <p>Employees</p>
	Goals and performance		<p>Employees</p> <p>Targets</p>
	Policy		<p>Business ethics</p> <p>Diversity and equal opportunities</p> <p>http://www.dp-dhl.com/reports/2010/annual-report/corporate-governance/code-of-conduct.html</p>
	Organizational Responsibilities		<p>Managing Corporate Responsibility</p> <p>Strategy and Employer Value Proposition</p>
	Training and Awareness		<p>Business ethics</p> <p>Working in partnership</p> <p>Strategy and Employer Value Proposition</p> <p>Employee representatives</p> <p>Diversity and equal opportunities</p> <p>Recruiting and training</p>
	Monitoring and Follow Up		<p>Business ethics</p> <p>Strategy and Employer Value Proposition</p> <p>Employee representatives</p> <p>Diversity and equal opportunities</p> <p>Recruiting and training</p> <p>Targets</p>
	Additional context		<p>Our CR strategy > Our People Strategy</p> <p>Key issues: Employees</p> <p>UNGC COP > Human rights</p> <p>Employee representatives</p>

Performance indicator	Description	Reported	Cross-reference/Direct answer
Investment and procurement practices			
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Partially	<p>Business ethics > Our Code of Conduct</p> <p>Business ethics > Working with subcontractors and suppliers</p>
Performance indicator	Description	Reported	Cross-reference/Direct answer

HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Partially	<p>We do not report the percentage of significant suppliers and contractors that have undergone screening on human rights. However, relevant information can be found in the following section:</p> <p>Business ethics > Working with subcontractors and suppliers</p> <p>UNGC COP > Human rights</p>
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Partially	<p>We do not report the total hours of employee training on policies and procedures concerning human rights. However, relevant information can be found in the following section:</p> <p>Business ethics > Our Code of Conduct</p>
Non-discrimination			
HR4	Total number of incidents of discrimination and actions taken.	Partially	<p>Although Deutsche Post DHL is committed to managing diversity professionally and to creating a working environment that is free from discrimination, we do not publish data for this aspect. We do not report on the total number of incidents of discrimination or actions taken.</p> <p>Relevant information can be found in the following section:</p> <p>Diversity and equal opportunities</p>
Freedom of association and collective bargaining			
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Partially	<p>The Code of Conduct will apply in accordance with national laws and customs.</p> <p>Business ethics</p>
Child labor			
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	Fully	<p>We do not consider any of our operations have specific risks in the areas of child labor and forced labor. The Code of Conduct will apply in accordance with national laws and customs.</p> <p>Business ethics</p>
Forced and compulsory labor			
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures taken to contribute to the elimination of forced or compulsory labor.	Fully	<p>We do not consider any of our operations have specific risks in the areas of child labor and forced labor. The Code of Conduct will apply in accordance with national laws and customs.</p> <p>Business ethics</p>
Security practices			
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Not	
Indigenous rights			
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Not	This is not a material issue for Deutsche Post DHL.
Social: Society			
G3 DMA	Description	Reported	Cross-reference/Direct answer
DMA SO	DMA SO	Fully	<p>Our management approach to society aspects is covered in the following sections:</p> <p>Business ethics</p> <p>Engaging with stakeholders</p> <p>Society</p>

Goals and Performances	Society
Policy	Targets Business ethics http://www.dp-dhl.com/reports/2010/annual-report/corporate-governance/code-of-conduct.html
Organizational Responsibilities	Managing Corporate Responsibility
Training and Awareness	Business ethics http://www.dp-dhl.com/reports/2010/annual-report/corporate-governance/code-of-conduct.html Engaging with stakeholders Working in partnership Demonstrating leadership Society: Our approach Disaster Response Teams Get Airports Ready for Disaster Global Partnership with Teach for All Global Partnership with Teach for Germany Partnership with SOS Children's Villages Local community projects For Bonn. In Bonn.
Monitoring and Follow Up	Business ethics http://www.dp-dhl.com/reports/2010/annual-report/corporate-governance/code-of-conduct.html Disaster Response Teams Get Airports Ready for Disaster Local community projects For Bonn. In Bonn.
Additional context	Targets UNGC COP > Anti-corruption Our CR strategy > GoHelp - disaster management Our CR strategy > GoTeach - championing education Our CR strategy > Local community projects Key issues: Society - GoHelp and GoTeach

Performance indicator	Description	Reported	Cross-reference/Direct answer
Community			
S01	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	Not	
Corruption			

S02	Percentage and total number of business units analyzed for risks related to corruption.	Partially	We do not report the percentage and total number of business units analysed for risks. However, we have a clear position on anti-corruption in our Code of Conduct, in which all employees are trained: Business ethics > Our Code of Conduct
S03	Percentage of employees trained in organization's anti-corruption policies and procedures.	Fully	All employees are trained in our Code of Conduct, which includes anti-corruption. In addition, training in our Anti-Corruption and Business Ethics Policy is compulsory for all managers. Information can be found in the following sections: Business ethics > Our Code of Conduct UNGC COP > Anti-corruption
S04	Actions taken in response to incidents of corruption.	Not	
Public policy			
S05	Public policy positions and participation in public policy development and lobbying.	Fully	Engaging with stakeholders Demonstrating leadership
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Not	Group-wide information is not currently available.
Anti-competitive behaviour			
S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Not	
Compliance			
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Not	Group-wide information is not currently available.
Social: Product Responsibility			
G3 DMA	Description	Reported	Cross-reference/Direct answer
DMA PR	DMA PR	Fully	Our management approach to product responsibility aspects can be found within the relevant sections: Our CR strategy Business ethics Engaging with stakeholders Green solutions for our customers
	Goals and Performances		Business ethics Targets
	Policy		Business ethics
	Organizational Responsibilities		Managing Corporate Responsibility
	Training and Awareness		Business ethics
	Monitoring and Follow Up		Business ethics Engaging with stakeholders Targets
Performance indicator	Description	Reported	Cross-reference/Direct answer
Customer health and safety			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Not	

PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Not	
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Product and service labeling

PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Fully	We comply with labeling prescriptions required by regulation on the transportation of dangerous goods or with regulation on labeling of packaging materials. Information relating to the sustainability impacts of our services can be found in the following section: Green solutions for our customers
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PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Not	
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PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	Engaging with stakeholders
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Marketing communications

PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Partially	Business ethics UNGC COP
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PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Not	
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Customer privacy

PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Partially	Business ethics > Data protection We do not report figures on customer privacy.
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Compliance

PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Fully	There have been no significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.
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GRI Logistics and Transportation Sector Supplement

Performance indicator	Description	Reported	Cross-reference/Direct answer
LT1	Number of ships controlled by the reporting organization, broken down by the flag state.	Fully	This is not relevant to Deutsche Post DHL as we do not own or operate sea vessels.
LT2	Breakdown of fleet composition.	Fully	Improving our carbon efficiency > Fleet (air and road fleet)
LT3	Description of policies and programs on the management of environmental impacts, including: 1) Initiatives on sustainable transportation (e.g., hybrid vehicles); 2) Modal shift; and 3) Route planning.	Fully	Improving our carbon efficiency > Networks Improving our carbon efficiency > Fleet
Performance indicator	Description	Reported	Cross-reference/Direct answer
LT4	Description of initiatives to use renewable energy sources and to increase energy efficiency.	Fully	Carbon emissions and efficiency index Improving our carbon efficiency Mobilizing employees Green solutions for our customers

LT5	Description of initiatives to control urban air emissions in relation to road transport (e.g., use of alternative fuels, frequency of vehicle maintenance, driving styles, etc.).	Fully	Improving our carbon efficiency > Fleet Non-carbon environmental impacts
LT6	Description of policies and programs implemented to manage the impacts of traffic congestion (e.g., promoting off-peak distribution, new inner city transport modes, percentage of delivery by modes of alternative transportation)	Partially	Improving our carbon efficiency > Networks Improving our carbon efficiency > Fleet
LT7	Description of policies and programs for noise management/abatement.	Partially	Non-carbon environmental impacts > Noise Improving our carbon efficiency > Fleet We have invested in state-of-the-art technology (such as the introduction of B757, B767 and B777) and work closely with the relevant authorities to develop noise abatement procedures wherever possible. These include operational noise abatement procedures such as Continuous Descent Approach (CDA) or the development of preferential routes to avoid densely populated areas as far as possible.
LT8	Description of environmental impacts of the reporting organization's major transportation infrastructure assets (e.g., railways) and real estate. Report the results of environmental impact assessments.	Partially	Improving our carbon efficiency > Networks Improving our carbon efficiency > Fleet
LT9	Description of policies and programs to determine working hours and rest hours, rest facilities, and leave for those driving and operating fleets.	Fully	We adhere to national laws and regulations regarding the set up of working hours, rest hours, rest facilities and leave.
LT10	Describe approaches to provision of facilities to enable mobile workers to maintain personal communications while working.	Partially	Deutsche Post DHL does not pursue a global strategy on personal communication for mobile workers. However, our employees are in cell phone contact with transport control. Many of our long-distance drivers are subcontractors and as such their communication needs are addressed locally by their employers.
LT11	Description of policies and programs regarding substance abuse (e.g., training and campaigns).	Fully	Occupational safety
LT12	Number of road fatalities of drivers or third parties per million kilometers driven.	Partially	We publish the overall number of work-related fatalities in the reporting period: Occupational safety
LT13	List the incidents when ships have been detained by port inspectors, including the following details: 1) Name of the vessel and International Maritime Organisation (IMO) number; 2) Port of detention; Reason for detention; and 3) Duration of detention (include dates).	Fully	This is not relevant to Deutsche Post DHL as we do not own or operate sea vessels.
LT14	Description of policies and programs for public access to mail services (e.g., distance to postal office and mail boxes).	Fully	http://investors.dp-dhl.de/reports/2009/gb/en/group-management-report/quality-3.html
LT15	Provision of logistics and transportation core competences to deliver humanitarian needs locally and globally measured in terms of: e.g., tons carrying capacity; person months; expenditure, value (fair market terms), and in kind contributions in disaster preparedness and response.	Fully	Disaster Response Teams
Performance indicator	Description	Reported	Cross-reference/Direct answer
LT16	Criteria for selecting recruitment and placement services. State how these criteria relate to existing international standards such as the conventions of the International Labour Organization (ILO).	Partially	Business ethics

LT17	Describe measures in place to provide income security and employment continuity for workers employed/contracted repeatedly but not continuously.	Partially	Recruiting and training Business ethics > Code of Conduct
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Key

Cross links refer to the Responsibility section of the corporate website unless otherwise specified: http://www.dp-dhl.com/en/responsibility-online_report_2010.html
 AR references refer to the Annual Report 2010: <http://www.dp-dhl.com/reports/2010/annualreport/index.html>

Core indicators are shown in bold (eg **EC1**).

UNGC COP

UN Global Compact Communication on Progress

Corporate Responsibility is part of our Strategy 2015 as we aim to make a positive contribution to our world.

Deutsche Post DHL signed the UN Global Compact (UNGC) in 2006. Our commitment to responsible business practices, including respect for human rights, our employees, the environment and wider society, are enshrined in our Code of Conduct. We are an active member of the German UNGC Network.

Since becoming a formal signatory, we have embraced the ten principles of the UNGC, and continuously support them. We are committed to upholding human rights within our sphere of influence.

This is our fourth Communication on Progress (COP). It illustrates our efforts in the timeframe since our last COP, from January until December 2010 in accordance with the new reporting cycle.

Human Rights

Principles

Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2 make sure that they are not complicit in human rights abuses.

Commitment

We respect human rights within our area of influence and operate our businesses in such a way as to make us an exemplary employer. We aim to be the preferred employer in our industry, with a respectful common culture and support for our employees' wellbeing:

- Embedding a common culture
- Promoting health and safety

Systems

- Code of Conduct
- Supplier Code of Conduct
- Corporate Health Policy
- Global Road Safety Initiative

Actions

- Integrated our revised Supplier Code of Conduct into new supply contracts
- Corporate Health Policy campaign and expanded measurement
- Corporate Values embedded in Strategy 2015's Guiding Principle "Respect and Results"

Performance

- Procurement employees trained on Supplier Code of Conduct
- Workshop Toolkit for managers on Strategy 2015 "Unlocking our Potential" covers the Guiding Principle "Respect and Results"
- 30,000 to 40,000 health promotion measures in Germany each year
- Deutsche Post DHL Corporate Health Award
- German Enterprise for Health Award 2010
- (External) Corporate Health Award (EuPD, Handelsblatt)
- Renewed commitment to "European Road Safety Charter"

Labor Standards

Principles

- Principle 3** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4** the elimination of all forms of forced and compulsory labor;
- Principle 5** the effective abolition of child labor; and
- Principle 6** the elimination of discrimination in respect of employment and occupation.

Commitment

We respect the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization (ILO) in accordance with national laws and customs.

- Employee representatives

Systems

- Code of Conduct
- Supplier Code of Conduct
Deutsche Post DHL has explicitly and unequivocally spoken out against, and does not tolerate any form of, forced and compulsory labor and child labor.
- German Corporate Governance Code
- Embedding a common culture
- Working with employee representatives
- Deutsche Post DHL Forum and European Social Dialogue Committee for the postal sector

Actions

- Promoted the Deutsche Post DHL Forum
- Reached wage agreements in Germany
- A competitive edge through diversity
- Executive development
- Vocational training
- Code of Conduct Workshop presentation and online training explicitly includes statement against forced and child labor

Performance

- Detailed reference to ILO core labor standards included in the Code of Conduct basic training and official presentation
- Conducted 2010 Employee Opinion Survey with 79 % participation rate
- Regular check of workshop presentation and training usage via corporate intranet

Environment

Principles

Principle 7 Businesses should support a precautionary approach to environmental challenges;

Principle 8 undertake initiatives to promote greater environmental responsibility; and

Principle 9 encourage the development and diffusion of environmentally friendly technologies.

Commitment

We recognize that our transport and logistics activities have an impact on the environment. We are constantly minimizing our business' impact on the environment, focusing on carbon efficiency and climate protection.

Systems

- Group-wide Environmental Policy and dedicated guidelines to improve environmental performance across Deutsche Post DHL
- GoGreen environmental protection program
- Carbon accounting and controlling system
- 6-Step Approach to environmental management
- Regular GoGreen Management Board and integration of carbon performance into management processes
- Member of relevant organizations such as the World Business Council for Sustainable Development or UNEP Climate Neutral Network

Actions

- Target to improve carbon efficiency by 30 % by 2020
- Efficiency optimization within our fleet and buildings, tests and implementation of alternative technologies and fuels
- Network and capacity optimization
- Mobilization of employees with awareness campaigns, activities and rewards
- Target to increase the percentage of employees working under ISO 14001 audited systems
- Extension of the green product portfolio including efficient logistics solutions and carbon-neutral shipping services with the introduction of the Group's first self-initiated climate protection project in Lesotho

Performance

- 2010 Deutsche Post DHL Carbon Efficiency Index value of 88
- Number of non-conventional vehicles increased to over 3,000
- Percentage of ISO 14001 coverage remained stable at 49 %
- Employee Opinion Survey (EOS): 60% confirmed that their teams are taking energy-saving measures in their workplace
- 1.7 billion carbon-neutral *GOGREEN* shipments in 2010
- Deutsche Post DHL ranked second-best company in the worldwide Carbon Disclosure Leadership Index in 2010 and confirmed in the Dow Jones Sustainability World Index and FTSE4Good Index

Anti-Corruption

Principles

Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.

Commitment

At Deutsche Post DHL, we do not tolerate corruption and are committed to compliance with international anti-bribery standards, as stated in the Global Compact and local anti-corruption and bribery laws.

Systems

- Code of Conduct
- Supplier Code of Conduct
- Anti-Corruption Policy
- Third-party compliance standards
- The Deutsche Post DHL Compliance Management System has been enhanced. It consists of:
 - The Chief Compliance Officer (CCO)
 - The Compliance Committee, chaired by the CCO, which is in charge of compliance management at Deutsche Post DHL. It is the decision-making body in charge of the strategic direction and the development of compliance management and handles reports of non-compliant behavior in the company
 - Global Compliance Office and the Regional Compliance Offices
 - An Integrity Board, containing internal and external experts

Actions

- Anonymous Compliance hotline available worldwide; information is published on the corporate intranet
- Follow-up activities to intensify Anti-Corruption Policy roll-out and Anti-Corruption training
- Due Diligence process, based on the Due Diligence Questionnaire for agents, joint venture partners and consultants, has been implemented
- As of 1st September 2010, a Chief Compliance Officer supports the Group's efforts to continuously strengthen the compliance organization
- A compliance risk mapping and organizational design project is being undertaken

Performance

- The Global Compliance Office, in collaboration with Internal Audit investigates concerns and concludes them
- Executives confirm receipt of Anti-Corruption Policy and training in a formal mandatory process
- Anti-corruption training completion monitored via monthly reports on global e-learning portal
- Evaluation of third-party compliance by Global Compliance Office
- Review of the existing compliance processes as part of the compliance risk mapping project
- Member of the Partnering Against Corruption Initiative (PACI)



COMMITMENT	A statement of specific commitments
SYSTEMS	A description of policies, programs and management systems
ACTIONS	A description of practical actions taken in the reporting period
PERFORMANCE	A description of the impact of systems and tangible outcomes of actions

Assurance statement

Independent Assurance Report

To Deutsche Post AG, Bonn

We have been engaged to perform a limited assurance engagement on selected areas of the online version of “Corporate Responsibility Report 2010” (the “CR Report”) of Deutsche Post AG, Bonn¹.

Based on our assignment, selected web-pages and performance indicators presented on the “Responsibility” web sites of the DPDHL corporate website www.dp-dhl.com have been subject to our assurance engagement. Where our assurance engagement covered full web-pages these are labeled with the symbol , while the symbol  labels web-pages on which only selected information – as specified at the end of the respective web-pages – have been subject to our engagement.



Management’s Responsibility

Deutsche Post AG’s management is responsible for the preparation of the CR Report using the criteria stated in the Sustainability Reporting Guidelines Vol. 3 (pp. 7–17) of the Global Reporting Initiative (GRI)

- Materiality,
- Stakeholder Inclusiveness,
- Sustainability Context,
- Completeness,
- Balance,
- Clarity,
- Accuracy,
- Timeliness,
- Comparability and
- Reliability.



This responsibility includes the selection and application of appropriate methods to prepare the CR Report and the use of assumptions and estimates for individual CR disclosures which are reasonable in the circumstances. Furthermore, the responsibility of Deutsche Post AG’s management includes designing, implementing and maintaining systems and processes relevant for the preparation of the CR Report.

Practitioner’s Responsibility

Our responsibility is to express a conclusion based on our work performed as to whether any matters have come to our attention that cause us to believe that the selected web-pages and performance indicators marked with  or  in the CR Report have not been prepared in accordance with the above mentioned criteria of the Sustainability Reporting Guidelines Vol. 3 of the GRI. We also have been engaged to report on recommendations for the further development of CR management and CR reporting on the basis of the results of our assurance engagement.



We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to express our conclusion with limited assurance.

In a limited assurance engagement the evidence-gathering procedures are more limited than in a reasonable assurance engagement (for example, an audit of financial statements in accordance with § (Article) 317 HGB (“Handelsgesetzbuch”: “German Commercial Code”)), and therefore less assurance is obtained than in a reasonable assurance engagement.

The procedures selected depend on the practitioner’s judgment. This includes the assessment of the risk of material non compliance of the selected web-pages and performance indicators marked with  or  with the above mentioned criteria. Within the scope of our work we performed amongst others the following procedures:

- Review of documents and interviews performed with responsible persons regarding CR strategy, CR program, CR management and stakeholder dialogue;
- Participation at stakeholder dialogues on DP AG Corporate Responsibility Day 24th February 2011;
- Inquiries of the responsible persons in the departments of Corporate Public Policy and Responsibility, Procurement, Human Resources, Real Estate, Corporate Fleet Management and representatives of DP DHL divisions MAIL, EXPRESS, GLOBAL FORWARDING/FREIGHT and SUPPLY CHAIN about the process to prepare the CR Report and the internal control system aligned with this process;
- Review of the development regarding the processes for gathering, analysing and aggregating the content data on the level of the headquarter and for some data on the level of operations in Staines and Brussels (CO₂ Emissions and Carbon Efficiency Index), Paris and London (Road fleet) and Bonn (various data);
- Comparison of selected data with corresponding data in the financial annual report 2010;
- Substantive testing on selected information in sample sizes, amongst others by the review of internal documents, external reports, contracts and invoices as well as by the analysis of reports generated from IT systems.

Conclusion

Based on our limited assurance engagement, nothing has come to our attention that causes us to believe that the selected web-pages and performance indicators presented in CR Report and marked with  or  have not been prepared, in all material respects, in accordance with the abovementioned criteria of the Sustainability Reporting Guidelines Vol. 3 (pp. 7–17) of the GRI.



Emphasis of matter – Recommendations

Without qualifying our conclusion above, we recommend for the further development of CR management and CR reporting the following:

- In the last year DP AG has made further progress by building an organizational framework and management systems to implement the CR core programs (GoGreen, GoHelp and GoTeach). We recommend further continuing the development of this process by specifying the focus areas of activities and supporting organizational framework for further CR areas and across the entire group.
- As part of the first Corporate Responsibility Day on February 24, 2011 in the Post Tower in Bonn, the management of DP AG discussed the prospects for corporate responsibility with their stakeholders. We recommend a regular update of the stakeholder analysis and a regular internal review of materiality of CR issues considering the results of the stakeholder dialog.

- The data collection and consolidation process has been further improved so that DP AG decided to include additional KPIs and selected qualitative information in the scope of our assurance engagement. We appreciate this development and encourage DP AG to further improve the processes by the implementation and documentation of an internal control framework for data collection and consolidation processes especially on subsequent organizational levels and in all areas. We recommend defining divisional and functional reporting guidelines using the internal best-practice for all material data and for the entire group.

Extension of the scope of the assurance engagement to future updates of the CR Report

DP AG intends to update relevant parts of the online CR Report 2010 with recent information prior to the publication of the next full CR Report 2011. Therefore, we have been engaged to provide limited assurance on the updates of information on web-pages and performance indicators, which have been subject to this assurance engagement until DP AG will have disclosed the CR Report 2011. In case that the above mentioned conclusion remains valid considering the updates, DP AG will continue to use the symbols  or  indicated with the date of the updates on the respective web-pages. DP AG intends to update relevant parts of the online CR Report 2010 with recent information prior to the publication of the next full CR Report 2011. We will report our recommendations, if any, with respect to the updates and the progress of the implementation of recommendations presented above in our next independent assurance report on the CR Report 2011.

Frankfurt am Main, May 16, 2011

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Michael Werner	ppa. Nina Müller
	Wirtschaftsprüfer
	(German Public Auditor)

Assurance statement as shown at http://www.dp-dhl/responsibility/performance/assurance_statement.html

FREQUENTLY ASKED QUESTIONS

Frequently asked questions on Corporate Responsibility at Deutsche Post DHL

General

What is the Deutsche Post DHL approach to Corporate Responsibility?

Corporate Responsibility (CR) is a core element of our corporate strategy, **Strategy 2015** (http://www.dp-dhl.com/en/about_us/strategy.html). For us, acting responsibly as a company means treating our employees, the environment, the interests of society and the capital that has been entrusted to us in a manner that is both respectful and sustainable.

Our approach to sustainability and our CR strategy are informed by the United Nation's 1987 report *Our Common Future*, also known as *The Brundtland Report*.

For more information on our approach, see the CR Strategy section.

Who is responsible for CR at Deutsche Post DHL?

At the corporate level, the Deutsche Post DHL Corporate Public Policy and Responsibility (CR) department has overall responsibility for setting the CR strategy, and for developing CR-related policies and guidelines for the entire Group. The Head of the Corporate Public Policy and Responsibility department reports directly to the CEO. Our CEO also personally chairs the GoGreen sponsors board which is comprised of senior managers from every Division and relevant functional units.

Teams of Deutsche Post DHL employees are responsible for implementing CR-related programs and policies in all the countries and territories in which the Group is present. They are also responsible for monitoring the situation in their regions and countries, and for providing feedback and ideas to the CR team at our Headquarters.

While certain people have been formally assigned the task of implementing the Group's CR strategy, programs and policies, all employees play a valuable role in the Group's quest to be a leader in the field of CR.

What are the Deutsche Post DHL priorities in the area of CR?

As part of our Corporate Responsibility (CR) strategy, and together with key stakeholders, we have identified a set of key issues that:

- are particularly relevant for our company and industry sector
- support our Strategy 2015 targets
- respond to the requirements of our customers and other stakeholders
- closely relate to our unique strengths and assets (i.e. our global reach and local presence, the use of our logistical core competencies, and employee involvement).

We have developed our CR strategy specifically to address the issues that we have identified as key issues. It has a special focus on the areas of environmental protection, disaster management and championing education, delivered through three major programs: GoGreen, GoHelp and GoTeach. For more information, see the CR Strategy section.

How does Deutsche Post DHL's performance in the field of CR compare to that of its major competitors?

We are constantly striving to improve our Corporate Responsibility (CR) performance in the areas that we and our stakeholders have identified as key issues.

Of course, we are aware that for our customers, our CR performance is part of our competitive profile in relation to our industry peers. But we see CR as an area where we aim to achieve results both through our own efforts and through cooperation with a broad range of business and industry groups. For example, we are involved in a number of industry groups and also take part in bilateral discussions.

We are proud of our efforts in the field of CR, and the considerable support we receive from our employees, to operate in a more environmentally and socially responsible way. For example, we were the first major logistics company to introduce carbon-neutral products, and the first to set a quantifiable carbon efficiency target. Our comprehensive GoGreen program focuses on environmental protection. In the area of social responsibility, we have set up the GoHelp program on disaster management and have established a major educational program, GoTeach.

For more information on our CR performance and how we compare to our major competitors, see our Rankings and ratings, and Awards.

Employees

What are the principles that shape Deutsche Post DHL's Human Resources (HR) policies?

Our HR policies are intended to make us the Employer of Choice in our sector and are shaped by the following principles:

- We offer our employees the opportunity to grow through challenging and rewarding assignments, to make an impact by applying their ideas and skills, and to take pride in the Group's contribution to society.
- We support diversity and tolerance among our employees.
- We expect people to treat each other with respect.
- We try to simplify our customers' lives.
- We encourage our employees to make a positive contribution to the world.

How satisfied are Deutsche Post DHL employees?

Deutsche Post DHL is committed to becoming the Employer of Choice. This commitment is part of the Group's long-term business strategy. A Group-wide Employee Opinion Survey is conducted every year. The high overall participation rate of 79 % in 2010 (2009: 76 %) shows that our employees increasingly acknowledge the importance of this survey.

In 2010, 73 % of the employees who responded said that they were generally satisfied with their tasks. Employees' responses inspire changes that help us become an even more attractive employer.

Does Deutsche Post DHL have a Code of Ethics/Code of Conduct?

In 2006, we rolled out a Code of Conduct as a binding standard for all our business entities worldwide. The Code of Conduct reflects our obligation to act with integrity and a sense of responsibility in accordance with high ethical standards and with applicable national legislation. To this end, the Code is shaped by international agreements and guidelines such as the General Declaration of Human Rights, the Conventions of the International Labour Organization and the United Nations Global Compact. The Anti-Corruption and Business Ethics Policy, and the Competition Compliance Policy complement the Code of Conduct.

Are equal opportunities and diversity reflected in the strategy of Deutsche Post DHL?

Equal opportunities and diversity have always been respected values in Deutsche Post DHL. They have also been part of our Code of Conduct since 2006 and are being implemented through our Diversity Strategy. We offer our employees a non-discriminatory work environment where each individual can contribute to the best of their potential, innovative ability, skills and motivation – regardless of gender, age, disability, ethnic origin, religion or sexual orientation.

Is health management and occupational safety a topic for Deutsche Post DHL?

Health management is an integral part of how our company is led. We promote the topic "Leadership and health" through training and presentations, and it is regularly addressed in leadership seminars (e.g. International Leadership Program) and Group presentations. We increase our managers' sensitivity and awareness of the impact they can have on their employees' health.

We also run a systematic risk assessment to determine health risks in the workplace. In this, we focus on salutogenetic factors that support human health and well-being, and corresponding health promotion initiatives.

Aligned with the "Global Business Coalition on HIV/AIDS, Tuberculosis and Malaria", we contribute to the fight against infectious diseases (see Health management).

Does Deutsche Post DHL have worldwide guidelines or policies on health management?

Since 2007, our Corporate Health Policy has served as a clear guideline on health management in our company and we have measured our progress on occupational health and safety through Group-wide key performance indicators.

We are a signatory to the Luxembourg Declaration on Workplace Health Promotion in the European Union, and the United Nations Global Compact, expressing our commitment to a responsible health management approach. In addition, we are an audited member of the “Enterprise for Health” and “Unternehmen für Gesundheit” networks.

We regard health as a combination of physical, mental and social well-being and not merely the absence of illness. Health encompasses the capability and the motivation to lead an economically and socially active life (Ottawa and Bangkok Charters).

We respect the principles of the 1998 International Labour Organization’s Declaration on Fundamental Principles and Rights at Work (see Health Management).

Does Deutsche Post DHL have a road safety policy?

Deutsche Post DHL has a Group-wide Road Safety Code. It seeks to ensure that our employees:

- exercise a sense of responsibility in road traffic
- respect and follow traffic regulations
- drive defensively, look ahead and adapt their driving to traffic conditions
- are considerate of all road users
- pay particular attention to children and other road users at risk
- never participate in road traffic under the influence of alcohol or other drugs
- pay attention to the roadworthiness of our vehicles.

As a signatory to the European Road Safety Charter since September 2006, Deutsche Post DHL aims to improve road safety. Based on our holistic approach to occupational safety and our Global Road Safety Initiative, our activities aim to help our employees when in road traffic and promote their safety while travelling on business and privately.

Why does Deutsche Post DHL need a global employer value proposition (EVP)?

Logistics is a people business. Deutsche Post DHL’s success depends on the people we manage to attract and retain. But not just anyone. We need the best talent and those who match our values. A global EVP will help us attract and retain the right people for the success of our business.

There are many challenges in the race for talent. Talent is scarce in developed countries; competition is fierce in emerging markets. Only those organizations that can claim convincingly to be an attractive employer offering what others don’t, will win this race. A global DHL EVP is the foundation on which consistent worldwide communications will be made with relevant target groups. It will enable us to become first choice for employees – in our industry and beyond.

Environment

What is the GoGreen program of Deutsche Post DHL?

With our GoGreen program we want to minimize our business' impact on the environment. We are pursuing an integrated approach to protecting the environment with numerous activities such as local air pollution control, noise reduction and waste management (which includes paper and water). For our integrated sustainability strategy, we use our 6-Step Approach – an environmental management system (EMS) developed for our business. A fundamental milestone of our EMS is ISO 14001 compliance and certification.

However, climate protection is the main focus of the program because of the carbon emissions our business activities generate (a significant environmental factor in the transport industry). We were the first logistics company to establish a concrete, measurable, voluntary goal for carbon emissions: The Group aims to improve its carbon efficiency in its own business activities, as well as those of its subcontractors, by 30 % by the year 2020. This means that Deutsche Post DHL will reduce the emissions generated by each letter or parcel sent, each transported tonne, or each square meter of warehouse or office space used by 30 % in comparison to 2007.

How do you ensure that the GoGreen program is being implemented throughout the entire company?

As with other global programs, we depend on our managers to set a good example. Frank Appel, CEO of Deutsche Post DHL, announced the GoGreen program in April 2008 and has since proclaimed it as an integral part of the company's corporate strategy. Since the program is, in effect, a Group-wide program, every Division has set their own goals and identified their own measures to improve carbon efficiency in the following areas: Network optimization, modal shift, fleet modernization, tests and implementation of alternative technologies and fuels, and energy efficiency optimization in our buildings.

Every Corporate Division is required to report their GoGreen performance data and progress in regular business review meetings with senior management. We motivate our employees throughout the Group to take part in measures to increase efficiency. Here, we focus on fundamental policies (such as recycled paper or biofuels), on information, and campaigns.

How much does Deutsche Post DHL invest in the GoGreen Program? Does this affect the price of the company's products and services?

In contrast to other companies, our environmental protection program is not contingent on a specific figure. Instead of a one-time investment, the Group includes the issue of carbon efficiency when making important investments or procurement decisions. GoGreen will continue to become increasingly integrated in our daily business decisions, so related investments will not be reported separately. The investment required to replace a Boeing 727 with a modern Boeing 777 is, for instance, part of our regular business events, but also has a significant positive impact on our carbon efficiency.

To integrate GoGreen, there is one centralized team and one contact person in each department and Division of the company. Furthermore, we are fostering green pilot projects with an annual central budget of several million Euros. We have also combined research activities in our DHL Innovation Center to continually advance the adoption of innovative technologies within the Group. And since the GoGreen program focuses on improving efficiency, the price of our products and services generally do not increase.

What green solutions does Deutsche Post DHL offer its customers?

Deutsche Post DHL customers benefit from the efficiency improvements resulting from the GoGreen program. Additionally, we offer solutions and consulting services for efficient logistics and carbon neutral shipping. Deutsche Post DHL was the first logistics company to introduce a line of carbon-neutral *GOGREEN* products and services. If a customer decides to send letters, parcels or goods carbon-neutrally, we calculate the carbon emissions generated by both the transport and handling processes and invest in climate-protection projects to offset the carbon emissions.

Do “green” solutions cost more than conventional solutions?

“Green” solutions do not necessarily conflict with profitability. On the contrary, in almost all cases sustainable activities lead to medium- and long-term cost savings, for example by reducing energy and fuel consumption.

Why does Deutsche Post DHL not publish more environmental data?

We have reviewed those topics which are essential for our company and climate change is our number one priority, since we produce a substantial amount of carbon emissions each year. Because of this, we have spent a lot of time and effort on developing a system to record and manage carbon emissions.

We are aware that our operations damage the environment in ways other than just emitting carbon dioxide into the atmosphere and that in addition to fossil fuels, we also use many other natural resources. In our Corporate Responsibility strategy, we have introduced guidelines and programs that assist us in counteracting the effects our operations on the environment. This includes our own proprietary environmental management system, the 6-Step process and our policies regarding paper.

Many of the natural resources required for our operations – for example, water – are purchased, used and disposed of either locally or onsite. Our handling of these environmental resources is conducted in accordance with local directives and existing infrastructure. Calculating and managing all of the emissions from our operations in 220 countries and territories would be a significant and costly task. Our main focus is currently on carbon emissions, but we are also working simultaneously on managing and reporting on other environmental factors at the local, regional and global level.

Society

What is Deutsche Post DHL's contribution to humanitarian and disaster relief?

Deutsche Post DHL works with international, national and local organizations to provide humanitarian relief, primarily in the aftermath of major sudden-onset natural disasters such as earthquakes, floods, hurricanes and tsunamis. Our CR program, GoHelp, focuses on disaster management with two core areas: Logistics support after natural disasters and disaster preparedness.

We have entered into long-term humanitarian partnerships with the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) and with the United Nations Development Programme (UNDP).

The most visible contribution comes from the DHL Disaster Response Teams (DRT), which we provide free of charge in cooperation with OCHA. If disaster strikes, these teams handle the logistics of incoming relief goods to prevent bottlenecks and delays at the affected airport. The DRT deployments are complemented by many company and employee-led initiatives in the aftermath of a major natural disaster. Together with UNDP, we support local authorities responsible for disaster preparedness. Our Get Airports Ready for Disaster (GARD) initiative prepares airports to handle the surge of incoming relief goods after a major sudden-onset natural disaster.

Beside its logistics expertise, the Group and its employees also donate time and resources to disaster-related recovery projects. One way is through the “Deutsche Post DHL – We Help Each Other” (WHEO) program. True to its name, the initiative provides a vehicle for our employees to reach out to their colleagues in other parts of the world whose homes have been damaged or destroyed in a natural disaster, helping them by their donations.

See the GoHelp section for more information.

What are the key elements of the GoTeach program?

With its GoTeach program, Deutsche Post DHL is committed to contributing to the improvement of educational standards across the globe and to a sustainable improvement in access to and quality of education. We develop and support initiatives that foster education and help young individuals to expand their personal development and skills. Beyond financial donations, the GoTeach program offers our employees various opportunities to volunteer in educational projects and to become actively involved in contributing to the objective of minimizing educational inequality.

Our main initiatives of the GoTeach program are:

- a partnership with Teach First Deutschland
- a partnership with Teach For All
- a partnership with SOS Children's Villages
- UPstairs – a scholarship program for our employees' children.

The goal of these initiatives is to support individuals in their development and expand their skill set. At the same time, we will strengthen our ability to attract – and retain – qualified employees for our company.

See the Society section for more information.

Why did Deutsche Post DHL choose education as part of their CR engagement?

Deutsche Post DHL introduced its GoTeach program to advance the quality of education and improve educational equality throughout the world. We believe that good education gives each and every individual more opportunity to take an active role in their society and economy. This is crucial for the development of any country.

In the industrialized countries of the western world, the challenge is to match educational systems and programs to the changing requirements for different competencies and skills. The task in developing and emerging countries is rather to provide access to primary education to all children. However, the objectives of both education strategies have more in common than you might expect. Even developed countries have to find ways to train underprivileged groups within their societies for a successful life and career, and make sure that people's social background will not impact the quality of their education and training. Bearing this in mind, education is a key issue for all regions where formal qualifications play an important role in career or social progression and success.

As one of the largest employers worldwide, we rely on qualified employees, and so we cannot ignore problems and issues in the area of education. The sustainable success of our company depends on well-qualified personnel across all areas and levels.

See the Society section for more information.

How does Deutsche Post DHL support those communities in which it operates?

Local community projects implemented by our employees are an integral part of our Corporate Responsibility (CR) strategy. We rely on the voluntary commitment, the special abilities and the enthusiasm of our about 470,000 employees around the world to bring our CR strategy to life. Managers are asked to support and promote this commitment through a variety of local and regional community investment projects.

Environmental protection, disaster management and education are the three key areas on which Deutsche Post DHL focuses its CR efforts. We want to leverage our core competency in logistics, our employees' knowledge, and our global presence to help to overcome social challenges. As one of the world's major employers, we know that the expert knowledge and personal talents of our employees are key success factors. We intend to provide a better future for as many people as possible through our training and education programs. At the same time, we want to secure our company's long-term success by contributing to the communities where we are present.

How does Deutsche Post DHL monitor its CR activities?

Our social initiatives are an integral part of our Corporate Responsibility (CR) strategy. Initiatives in this area include those that are:

- corporate-led and funded
- led and financed by divisions or country organizations, with or without employee donations
- solely financed by fundraising and employees' private contributions
- employee-led and financially supported by the Group through its Living Responsibility Fund.

Putting a reliable system in place to track the different types of donations generated by about 470,000 employees working in over 220 countries and territories would be a huge undertaking. Nevertheless, we are working to improve our data gathering and reporting in this area.

How does Deutsche Post DHL encourage and reward employee volunteering?

A major component of each of our main Corporate Responsibility (CR) programs (i.e. GoGreen, GoHelp and GoTeach) is employee involvement and volunteering. For examples of initiatives, see the Employee mobilization section of our Environment chapter or the Local community projects section of the Society chapter.

Local community projects rely on the know-how and volunteering commitment of our employees in the local communities where they live and work. To recognize and financially support employee-led projects all over the world, we launched the Living Responsibility Fund which provides financial support for community projects if they meet the application criteria. The funding sum reflects the scope of the volunteering activity and is transferred directly to the partner organization. Based on the total number of volunteering hours invested by Deutsche Post DHL employees in the project per year, funding from €500 up to €4,000 is possible. The fund replaces last year's Corporate Responsibility Award.

Also newly launched in 2010 are the Deutsche Post DHL CEO Awards. These include a category for "Living Responsibility", which recognizes outstanding efforts to further strengthen CR efforts for GoGreen, GoTeach and GoHelp, but does not provide financial support.

What is Deutsche Post DHL's approach to human rights?

Deutsche Post DHL launched a Group-wide Code of Conduct in August 2006 which forms the basis for all our operations, and which applies to every country and territory where we are active. The Code of Conduct takes into account international codes and guidelines such as the Universal Declaration of Human Rights, the International Labour Organization (ILO) Conventions and the United Nations Global Compact (UNGC).

Deutsche Post DHL signed the UNGC in July 2006. We have embraced its 10 principles and continuously support them. We are committed to upholding human rights in accordance with national law and practice.

For more information, see our UNGC Communication on Progress and our Global Reporting Initiative Index (GRI).

Economic

What is the scale of Deutsche Post DHL's economic impact?

As a company with over €51 billion in revenue in 2010, and with about 470,000 employees, we have a significant economic impact in almost every country and territory in the world. For more information, see the Economic impact section.

Feedback and contact

We welcome your feedback on our CR reporting.
Please visit www.dp-dhl.com/feedback to share
your views or to contact us with any questions.

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Credits

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