



Corporate Responsibility Report 2015

# es | sen | tial

Responsible business practice is essential to the long-term business success of Deutsche Post DHL Group.

Deutsche Post DHL  
Group

# es|sen|tial

[adjective];  
**fundamental, significant, indispensable**

Responsible business practice is essential to the long-term business success of Deutsche Post DHL Group.

We follow this principle in our day-to-day business operations as well as in our strategic planning. For our stakeholders, too, it is of fundamental importance that we act responsibly. They expect us to adopt fair business practices, take a sustainable management approach and act with integrity in our dealings with customers, employees, investors and business partners. We aim to meet their expectations by applying high ethical, social and environmental standards in our daily activities across the Group.

This report provides an insight into our focus areas and core activities related to corporate responsibility. It describes how we combine our commitment to responsible business with bottom-line business interests as well as the actions we take.

Our Corporate Responsibility Report serves as our Advanced Level Communication on Progress for the UN Global Compact. The content of the report is based on the G4 Guidelines for Sustainability Reporting (Core option) as well as external CR ratings and customer requirements. The report was reviewed by the audit firm PricewaterhouseCoopers.



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# con|nect|ing

[adjective];  
bringing together, overcoming distances

# WHAT DOES CONNECTING MEAN FOR US?

Corporate responsibility is inextricably linked to our business success. This is why we forge meaningful relationships with our stakeholders to drive the development of innovative solutions.

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## A WORD FROM THE CEO



**Dear Readers,**

2015 was a year of social, political and economic change. The Eurozone crisis, the stagnation in the world's growth markets, and widespread geopolitical tensions and their effects often defined and dominated the agenda. Some developments had a destabilizing effect, heightening fears and insecurities. Other developments forced change for the better, providing the stimulus needed to grow and even exceed perceived limits. Parting with old habits is often difficult because of the flexibility it demands, but this remains essential to achieving progress. As a company, Deutsche Post DHL Group must also remain flexible. To continue to improve, we must continue to change. This is why we made some important changes in 2015 which we believe will allow us to successfully meet the challenges of a highly competitive and demanding market. Change is essential for us, too.

The term “essential” is the overarching theme of this Corporate Responsibility Report, since responsible business practice is, for us, an *essential* component of our daily work. In keeping with our corporate strategy of sustainable, long-term growth, we developed and implemented measures in 2015 that will allow us to meet our standards for both business performance and corporate responsibility.

We have once again made significant progress in planning, executing and communicating our activities in the area of CR and sustainability in the past year. As part of a materiality analysis, we worked with our stakeholders to identify the issues considered most essential to the company, took steps to further align our business activity with these issues, and established corresponding KPIs and targets. We continued to make progress towards our longer-term goals as well, improving non-financial KPIs “Active Leadership” and “Carbon Efficiency” each by one percentage point as compared to the previous year. And this year for the first time, our CR reporting is in accordance with the Global Reporting Initiative's G4 guidelines.

» Our corporate strategy is built upon core principles of long-term growth and sustainability; with this as our guide, we remain truly well-equipped for continued growth and success. In a highly competitive market, it allows us to remain strong financially, maintain stability for us and our employees, and keep a steady eye on the interests of our stakeholders. «

We achieved some important stage wins last year on the road to becoming Employer of Choice. I am truly proud to report that we were able to increase our global workforce by some 8,900 employees despite challenging market conditions. The new regional delivery companies we established within our Post - eCommerce - Parcel division provide employees with both job security and career opportunity; at the same time, they will enable future growth in a highly dynamic, competitive market. In all countries and divisions across the Group, our priority is to create a working environment that enables our employees to do their best work. For this reason we included a new KPI – "Performance Enablement" – in our Employee Opinion Survey last year, which will give us an indication of how well we are empowering our employees to provide customers with best-in-class service. We also made further progress implementing the Group-wide Certified initiative in our divisions – a program designed to help our employees develop into certified specialists in their respective area of work. This represents a large-scale investment in our employees; we believe it creates a culture that will improve our company on a number of different levels.

We also further expanded our activity in the area of corporate citizenship. Once again, the spirit of volunteerism and community involvement on the part of our employees was truly impressive. This engagement is something the Group expressly encourages: as part of our 2015 Global Volunteer Day more than 78,000 employees participated in charitable projects in their local communities, volunteering some 260,000 hours of their time on behalf of over 2,000 different projects around the world. Many of our employees have also volunteered to provide refugee aid here in Germany; since September of last year, we have contributed to this cause in the form of both volunteer work and financial support. In 2015 our Disaster Response Teams were deployed to Brazil, Chile, Guatemala, Nepal and the island nation of Vanuatu to support airport logistics in the wake of devastating natural disasters. In addition to this, preparedness workshops were conducted at airports in the Dominican Republic, India and Macedonia to improve the management of incoming relief supplies in the event of a disaster.

As part of our commitment to improving educational opportunity and employability for children and young people, we were able to establish important new partnerships with Teach For Bangladesh and Teach For Malaysia in 2015, as well as expand our collaboration with SOS Children's Villages to include two new country partnerships in Nigeria and Tanzania. As demonstrated clearly by these many examples, the volunteer spirit of our employees is at the heart of our efforts to bring people together and improve their lives. On behalf of the Board of Management I would therefore like to thank all Group employees for this essential contribution to our corporate responsibility.

Environmental protection remains a top strategic priority for the Group. Our carbon efficiency measures, as well as the development and deployment of our eco-friendly

products and solutions, support the overarching objective of the 2015 UN climate conference agreement (COP21) to limit global warming to well below 2°C. The continued recognition from external CR rating agencies also confirms the course we have set: in 2015 our engagement on behalf of the environment received the highest rating from the renowned Climate Disclosure Project. Our membership in the Dow Jones Sustainability Indices (DJSI World, DJSI Europe) was re-confirmed in 2015. In addition, we received another RobecoSam Bronze Class distinction as well as the top “AAA” rating from MSCI – strong examples of recognition for our outstanding performance in the area of planning and executing centralized sustainability activities.

As always, our actions as individuals and as a company are guided by our Group-wide Code of Conduct, which is based on the Universal Declaration of Human Rights and the ten principles outlined in the UN Global Compact. As a signatory of the UN Global Compact, we are committed to “living” these ten principles in our day-to-day work. We also support the United Nation’s Global Goals for Sustainable Development.

As mentioned already, 2015 was a year of change. As a company, we succeeded in rising to the challenge and seizing upon the opportunities that often go hand-in-hand with change – which is why I’m certain 2016 will be a good year for Deutsche Post DHL Group. Our corporate strategy is built upon core principles of long-term growth and sustainability; with this as our guide, we remain truly well-equipped for continued growth and success. In a highly competitive market, it allows us to remain strong financially, maintain stability for us and our employees, and keep a steady eye on the interests of our stakeholders.

Sincerely,

**Dr. Frank Appel**  
CEO

# THE GROUP

Deutsche Post DHL Group conducts business in more than 220 countries and territories and is the world's leading postal and logistics services provider.

## Group at a glance

Sites worldwide

**~12,000**



Americas	Europe	Other regions	Asia Pacific
<b>658</b>	<b>6,887</b>	<b>451</b>	<b>1,263</b>
ISO 14001-relevant sites	ISO 14001-relevant sites	ISO 14001-relevant sites	ISO 14001-relevant sites
Employees <b>78,027</b>	Employees <b>326,979</b>	Employees <b>18,896</b>	Employees <b>73,843</b>
Vehicles <b>5,080</b>	Vehicles <b>81,190</b>	Vehicles <b>1,825</b>	Vehicles <b>4,245</b>
Global hub Cincinatti (USA)	Global hub Leipzig (Germany)	DRT Dubai	Global hub Singapore
DRT Panama	Group headquarters Bonn (Germany)		DRT Singapore

The principle company of the Group, Deutsche Post AG, is a listed corporation domiciled in Bonn, Germany. The Group is organized into four operating divisions – Post - eCommerce - Parcel, Express, Global Forwarding, Freight and Supply Chain – each of which is under the control of its own divisional headquarters. We have consolidated internal services, such as Finance, IT, Procurement and Legal, under Global Business Services. Group management functions are centralized in the Corporate Center.

**Organizational structure of Deutsche Post DHL Group** ✓ PwC



**Our brands** ✓ PwC

With our dual Deutsche Post and DHL brands, we offer our customers a comprehensive portfolio of products and services.

**Brand architecture**



**Deutsche Post – The Postal Service for Germany**

Deutsche Post is the sole provider of universal postal services in Germany. In the Post - eCommerce - Parcel division we transport letters both domestically and internationally, and are specialists in dialogue marketing, the nationwide distribution of press products, and

electronic services related to mail dispatch. In Germany as well as in other markets we provide domestic parcel services and continue to expand our offers for shipping parcels and merchandise across national borders. We also offer services on the travel and intercity bus market.

### DHL – The Logistics Company for the World

DHL is an international express service provider, an air, ocean and overland freight forwarder as well as a supply chain specialist, and offers our customers a wide range of integrated logistics solutions. With a network that spans the globe, we are one of the leading providers in our business segments. And we strive continually to improve our services so that whatever our customers want we provide to their satisfaction.



<sup>1</sup> Ranked 30th, source: Interbrand

<sup>2</sup> Ranked 66th, source: Millward Brown, 2015

Please see our [2015 Annual Report](#) for detailed information about our products and business performance.

## Customers & innovation ✓ PwC

Provider of Choice is one of the three core objectives of our Group strategy. That is why we regularly conduct customer satisfaction surveys, quantify that satisfaction with key figures and pursue well-defined goals.

 **90% D+1**  
Letters delivered within Germany the day after posting.

Open 53 hours  
Average weekly opening time of around 29,000 sales points in Germany.

**MAIL AND PARCEL BUSINESS**

 **ISO CERTIFICATION**  
Ensuring harmonized quality standards.

**DHL BUSINESS UNITS**

**NET PROMOTER APPROACH**  
Continuously turning criticism into improvements.

 **91.5% SATISFIED CUSTOMERS**  
According to "Kundenmonitor Deutschland".

 **MY DHL PORTAL**  
Allowing business customers to easily send express items.

TÜV-certified  
Certified quality management system for letters and internal system for measuring parcel transit items.

 **OVER 900 ELECTRIC VEHICLES**  
Quality also means protecting the environment.

More than 250 locations certified by the Transported Asset Protection Association (TAPA).

 **CUSTOMER IMPROVEMENT PROJECTS**  
60 improvement initiatives successfully implemented in 2015.

To increase customer satisfaction and strengthen customer loyalty further, we apply First Choice methodology. Based on Six Sigma and Lean, this methodology has been employed across the Group since 2007 for the purpose of continually improving what we do. We handle customer complaints as quickly as possible and use them as motivation for optimizing our processes and substantially improving our customer service.

## Measuring customer satisfaction ✓ PwC

Customers of Deutsche Post DHL Group expect us to provide fast, reliable and high quality products and services. In turn we measure their satisfaction with our performance, utilizing a set of tools matched with the divisions' different fields of activity. A few examples are provided below. More detailed information can be found in the 2015 Annual Report.

### Post - eCommerce - Parcel

**90%**

of letters in Germany are delivered to their recipients the next day

**53**

weekly business hours on average

External surveys confirm that 90% of letters are delivered to their recipients the next day in Germany. This puts us markedly above the statutory requirement of 80%. Our quality management system is certified externally every year. In the parcel business in Germany,

items usually reach their recipients the next working day. Our internal system for measuring parcel transit times has been certified by TÜV Rheinland since 2008. Like last year, the average weekly business hours of our 29,000-plus sales points in 2015 was 53 hours. The annual survey conducted by “Kundenmonitor Deutschland”, the largest consumer study in Germany, also showed a high acceptance of our exclusively partner-operated retail outlets: 91.5% of customers were satisfied with our quality and service.

**Express**

~280

TAPA-certified locations

Global

ISO 9001:2008 certification

In our Express business, we want to offer our customers the best possible service quality all around the world. It’s why we place high demands on our products, processes, infrastructure and employees, and keep a constant eye on the ever-changing requirements of our customers. Whenever our employees are in contact with customers, the feedback from those customers is documented and evaluated. In addition, our managers talk to dissatisfied customers personally to find out the root causes of their dissatisfaction. That means customer criticism is an integral part of our continuous improvement processes.

Our operational safety, compliance with standards, and the quality of service at our facilities are reviewed regularly in cooperation with government authorities. Approximately 280 locations – over 120 of which are in Europe – have been certified by the Transported Asset Protection Association (TAPA), one of the world’s most prestigious organizations promoting logistics safety and security. Our sites have had global ISO 9001:2008 certification since 2013.

**Global Forwarding, Freight**

In the Global Forwarding business unit, we use a continual customer feedback approach to improve our offers systematically. This method generated a steady stream of responses once again and led to concrete suggestions for improvements. In the reporting year we expanded that approach to cover 29 additional countries, with more to follow in 2016.

+29

countries covered by customer feedback approach

In the Freight business unit, we are bolstering our customer service and investing heavily in systems that will improve process management and communication between customers and DHL employees.

## Supply Chain

We want to be the quality leader in contract logistics – the company that best understands customers' needs and leads the way in customer satisfaction. To this end, we implement practices and methodologies that provide our customers with the highest level of service quality and the most added-value. We use globally tested processes to offer our customers comparable solutions and uniformly high service standards. In order to measure and monitor the quality of our service, we have defined a number of key performance indicators (KPIs) for the division, which include safety and operational performance. We consistently deliver products and services that meet the highest service standards worldwide, achieving ratings of over 95% in all relevant categories.

**>95%**  
of our services meet the highest service standards

## Innovations PwC

Deutsche Post DHL Group is developing business models that benefit both our company and society. Technical innovations are key factors in this process. The task of researching and developing those new technologies is assigned to Customer Solutions & Innovation (CSI) in the CEO board department, which works in close collaboration with divisional experts.

We intend to use our innovations in multifaceted ways to create added value for our customers. It's more than just a matter of simplifying and automating logistics processes. With our innovations, we seek to make logistics chains more secure and more stable. Many of these new technologies are also designed to reduce the carbon footprint of logistics services.

## Strategic innovation management

We drive innovation strategically in two ways. First, we use technology that is available today to develop new, more energy efficient and more robust solutions. Second, we strive to develop alternative technologies. In this process we seek to collaborate with customers, suppliers, financial institutes, the scientific community, logistics initiatives and many other reference groups. This cooperative approach gives our innovation projects better chances to succeed, accelerates their development, and expands their impact. Our innovation projects are multi-faceted and adapted to specific situations. In the reporting year, we launched a number of new efforts and reached important milestones in current projects. Moreover, our company has received external recognition for our innovation management.

## Project examples

A pilot project at a distribution center in the Netherlands focused on testing for the use of "smart glasses" and "Augmented Reality (AR)". Developers working together with customers used the technologies to explore the effectiveness of an AR concept called "Vision Picking"

in warehouse operations. Employees were given smart glasses that display order information step-by-step, the goal being to expedite the picking process and reduce errors.

## Economic performance PwC

Deutsche Post DHL Group provides services that are indispensable to a modern society. With our world-spanning logistics networks we not only ensure that information and goods are conveyed securely but also create the conditions necessary for companies and people to participate in world trade. It's how we can contribute to the welfare of companies and individuals around the globe.

A detailed look at our Group's significance for global trade and our economic performance is provided in our [Annual Report](#). The Group's solid results in 2015 are once again a reflection of the trust our customers place in us as a company that acts responsibly. At the same time, this income gives us the opportunity to expand our commitment to corporate responsibility.

## Taxes

The Group pursues a conservative tax strategy. As a company that does business around the world, we have a presence via different enterprises in a number of nations, including some that are considered "low-tax countries". These companies are not tools for optimizing our tax payments, but instead are used to support our operating activities.

With the help of our global team of tax experts, we ensure that taxation risks can be recognized and counteracted, that national and international tax-related compliance requirements are met and as a result that the commercial activities of the Group are properly taxed in the respective countries.

Through the payment of taxes and other duties to federal, state and local authorities in many countries, the Group helps finance infrastructure maintenance and expansion world-wide. Please refer to our Annual Report for details on our tax expenses.

## Dividend

Our shareholders also benefit from our economic success. In 2015, we paid out €1,030 million in dividends for fiscal year 2014. Information on dividends for fiscal year 2015 will also be available in our Annual Report.

## Wages and salaries

With around 500,000 staff members, we are one of the world's largest employers. [Staff costs](#) in the reporting year amounted to some €19.6 billion. They include wages, salaries and compensation as well as all other benefits paid to employees of the Group for their work

during the fiscal year, including social contributions. These are primarily statutory contributions, in particular the social security contributions. In numerous countries we offer defined benefit and/or defined contribution-based pension plans, and which accounted for approximately €1 billion of total staff costs in 2015. More detailed information regarding the defined benefit pension plans is available in our [2015 Annual Report](#).

### Remuneration of Board of Management and Supervisory Board Members

In the reporting year, the total remuneration paid to active Board of Management members amounted to €17.4 million; for the Supervisory Board, that total was €2.7 million. These figures include share-based remuneration. Overall the remuneration paid to the Board of Management and the Supervisory Board represents a 0.1% share of total staff costs. Please refer to the [Remuneration Report](#) in the 2015 Annual Report for further details related to the Board of Management and Supervisory Board remuneration.

### Investments

We continue to optimize the networks and to refurbish our vehicle and aircraft fleet as well as our buildings, machines and facilities. The Group's investment expenditures amounted to some €2 billion in the reporting year. Detailed information about these investments is available in this year's Annual Report.

Environmental aspects enjoy great significance in our capital expenditure policies. Our Corporate Investment Policy, for example, specifies that the company may not make a replacement purchase if the replacement is not more energy efficient than its predecessor model or does not at least offer other environmental advantages. Our policy applies to all decisions related to building and renovation projects as well as for example to measures related to renewing our road vehicle and aircraft fleets. For examples of these investments, please see the [Shared Value](#) chapter.

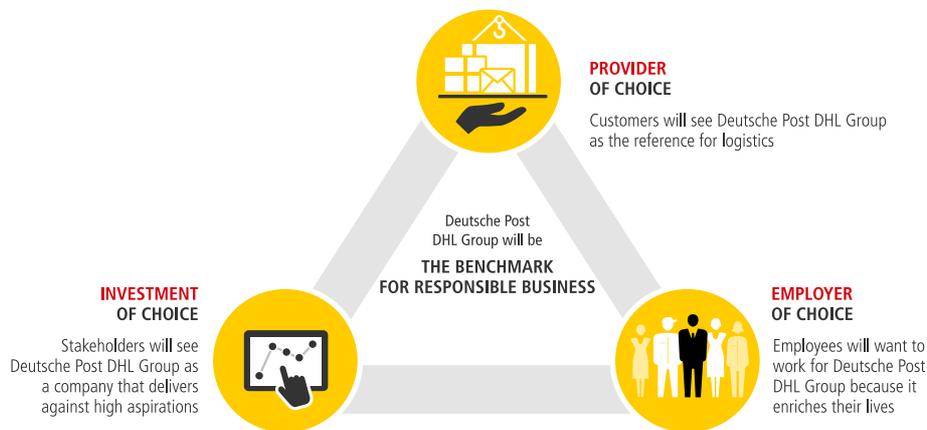
## STRATEGY

### Management approach & targets

Our mission as the leading mail and logistics company is to connect people and improve their lives. Because of the sheer size of our company and its significance for global commerce, we believe we have an added responsibility to our employees, to society and the environment. This keen sense of social and environmental responsibility has a significant influence on the way Deutsche Post DHL Group does business and forms the backbone of our company culture. Responsibility is what defines our Group-wide Code of Conduct, which is guided by the principles of the Universal Declaration of Human Rights and the UN Global Compact, and takes into account widely recognized legal standards including applicable anti-corruption conventions and legislation. We also support the [United Nation's Global Goals for Sustainable Development](#).

Corporate responsibility is an integral component of our corporate strategy. Our goal is to become Provider, Employer and Investment of Choice – and to become a benchmark company for responsible business. Deutsche Post DHL’s business goals and sustainability targets are directly related. Today, more and more customers consider a company’s social value when deciding on a service provider. Companies whose management is characterized by a strong commitment to ethical business practices are also at an advantage when it comes to motivating their employees and building employee loyalty; these are the companies favored by job applicants. Moreover, an increasing number of investors base their investment decisions on a company’s record of responsible, sustainable business practice as a way to minimize long-term investment risks.

### Corporate strategy goals



With sustainability and responsibility as integral components of our corporate strategy, we are committed to meeting the demands of the business, our stakeholders, society and the environment. We work together with our stakeholders to identify the action areas considered essential for our company. As part of a materiality analysis conducted during the course of the reporting year, we have identified eight material issues, along with performance indicators (KPIs) and target objectives. With the help of these KPIs we can also measure progress made in implementing our long-term corporate strategy.

### KPIs and targets

Focus area	KPI	Target
<u>Occupational health and safety</u>	Accident rate (LTIFR)	Suitable targets will be reviewed and set in 2016
<u>Employee engagement</u>	KPI "Active Leadership"	Increase the approval rating to 74% in 2016
<u>Training &amp; HR development</u>	Participation in Certified initiative	80% of our workforce is to be certified by 2020
<u>Energy efficiency and climate change</u>	Carbon efficiency index (CEX)	Improve CEX by at least one index point over previous year
<u>Local air pollutants and noise</u>	We plan to give this area special attention with the goal of developing relevant targets and reviewing the applicability of existing KPIs for this area	

The material issues compliance, data protection and security, as well as environmental and social standards in the supply chain are also monitored centrally with the help of defined KPIs. However, because of the sensitive nature of this data, we do not report on this information externally.

## Agenda & CR activities ✓ PwC

Our Group-wide activities and objectives in the area of sustainability focus on the following dimensions:

- Organization and strategy
- Employees and workplace
- Principles and guidelines
- Society and engagement
- Environment and solutions

### Organization and strategy

Corporate responsibility is an integral component of Deutsche Post DHL Group strategy. The Chief Executive Officer is responsible for setting the company's strategic direction. Within the CEO board department, the corporate department for Corporate Communications and Responsibility is charged with overseeing the Group's corporate responsibility activities. Through our CR management process, and in various committees with internal and external stakeholders, we identify relevant issues and make the necessary decisions to improve our performance. This process is recognized for excellence on a regular basis by rating agencies and other external institutions.

### Employees and workplace

The ability of Deutsche Post DHL Group to succeed and meet its targets depends largely on the quality of our people and their commitment to continually deliver high-level performance for our customers, and continuously further their own personal and professional development at the same time. The most important functions of our human resources management work involve recruiting the right people to fill open positions, and continuously motivating and developing our existing workforce worldwide. Ultimately, the key to our success is to create the basis for productive, long-term employer-employee relationships based on mutual respect and appreciation. This requires a corporate culture of openness, trust and respect, as well as performance-based remuneration, good career development opportunities and a safe, secure and healthy working environment.

## Principles and guidelines: Responsible business practice

The central platform for our CR management is the Group-wide Responsible Business Practice (RBP) network, which coordinates the main aspects of responsible management practice across divisions and functions. CR-relevant issues include ethical governance, sustainable business strategy, product responsibility and responsible business practices, working conditions, safeguarding human rights, environmental protection and corporate citizenship. With the help of the materiality analysis, the RBP network identifies focus issues, improves the Group's performance in those areas and creates transparency with regard progress made against our targets. As part of this process, members of the RBP network maintain an ongoing dialogue with their respective stakeholders. In this way we ensure that stakeholder expectations with regard to social and environmental issues are taken into account and that we take a systematic approach to aligning our business activities with these expectations. The overarching goal remains the same: to combine sustainability with profitability.

## Society and engagement: Corporate Citizenship

Our social engagement activities are bundled and managed in the area called "Society & Engagement". Working closely with experienced partner organizations, we mobilize our core strengths and competencies as the world's leading mail and logistics service provider on behalf of society and the environment. Our Group-wide programs help improve educational opportunity and employability for young people from disadvantaged socio-economic backgrounds, support disaster management at airports, and support local environmental protection and other community projects initiated by our employees. In the reporting year we also collaborated with partners to launch a wide-scale refugee aid initiative in Germany. We encourage our employees to get involved as volunteers, and we provide funds to help support their efforts.

## Environment and solutions: Shared Value

"Shared Value" is the term we use to describe our various efforts to minimize the environmental impact of our business activities and develop green solutions for our customers. "Shared Value" guides a value-creation approach to environmental management across Deutsche Post DHL Group. Accordingly, we not only make a contribution to society and the natural environment, but also grow our business – and our success – with things like carbon efficiency measures or our portfolio of eco-friendly GoGreen products. We meet the specific needs of our customers by working with them to identify and develop sustainable logistics solutions. Our corporate strategy is long-term and reflects our Group-wide commitment to creating shared value.

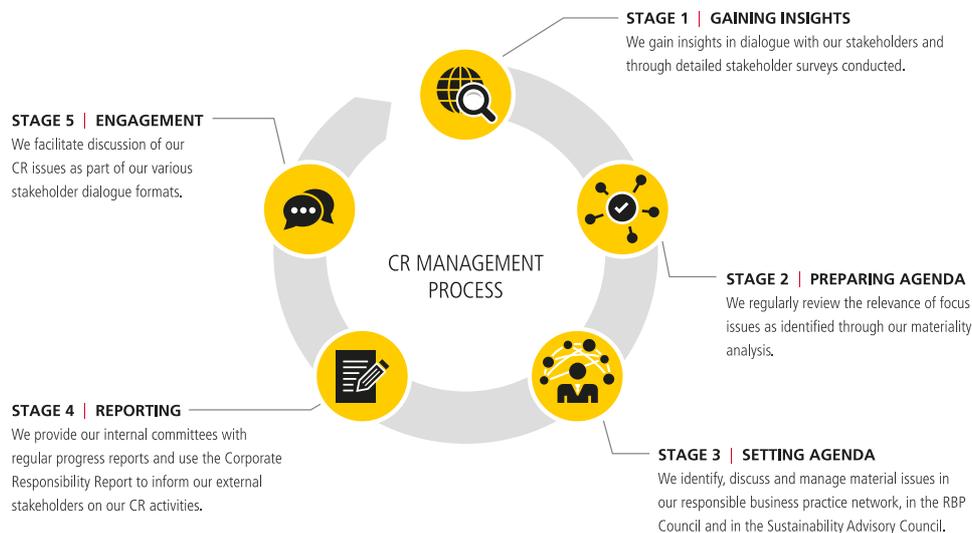
With our Group-wide carbon efficiency target we want to lower the impact of our business activity on the environment and improve our carbon efficiency by 30% by the year 2020 as compared to the 2007 baseline. By 2015 we had already achieved an efficiency improvement of 25%.

## CR management process & materiality analysis ✓ PwC

Our goal is to become a benchmark company for responsible business; to do this, we want to continually improve our CR performance in a way that can be quantified and communicated clearly and transparently. This requires openness, as well as a systematic, structured approach. Openness means proactively gathering information from our stakeholder dialogues, initiatives, partnerships and from CR ratings, and assessing the relevance of this information for our business. At the same time, we apply a management process to systematically identify material issues and define concrete action measures, goals and KPIs. Decisions were taken in the reporting year by our internal decision-making body, the Responsible Business Practice Council, and also by the Board of Management. We report to our stakeholders on progress made and take this opportunity to gather additional input from them. In addition, we consider the recommendations of the independent experts who make up the Sustainability Advisory Council.

The insights gained from this continuous process are fed back into the management cycle on an ongoing basis. After the CR management process completed its first full cycle in 2014, we initiated a new cycle in 2015. This included another materiality analysis with an extensive stakeholder survey, telephone interviews with selected stakeholder groups, as well as involvement and input from additional sources.

### CR management process



## Materiality analysis ✓ PwC

Deutsche Post DHL Group once again conducted a materiality analysis in the reporting year as a way to identify focus issues within three main areas: Employees, the Environment and Governance. Focus issues were identified and concrete goals and KPIs were defined for each issue.

- In the area of Employees, we will focus on the issues of employee engagement, learning and development, and occupational health and safety.
- In the area of Environment, we will concentrate on issues of energy efficiency, as well as air pollution and noise.
- In the area of Governance, our focus is on compliance, data protection and security, as well as standards in the value chain (especially environmental and social standards in the supply chain).

We do not report KPIs for compliance, data protection and data security, or environmental and social standards in the supply chain since these figures contain sensitive information pertaining to our business. The remaining material issues are covered in detail – including changes and developments in 2015 – in the respective chapters of this report.

**Results of the 2015 materiality analysis** ✓ PwC

HIGHLY IMPORTANT FOR EXTERNAL STAKEHOLDERS	<ul style="list-style-type: none"> <li>■ Innovation &amp; Future Technologies</li> <li>■ Sustainable Business Strategy</li> <li>■ Respectful Treatment of Employees</li> <li>■ Elimination of Child and Forced Labor</li> </ul>	<p><b>EIGHT MATERIAL RBP ISSUES FOR DPDHL GROUP</b></p> <p><b>Governance</b></p> <ul style="list-style-type: none"> <li>■ Compliance</li> <li>■ Standards in the Value Chain</li> <li>■ Data protection &amp; Security</li> </ul> <p><b>People</b></p> <ul style="list-style-type: none"> <li>■ Employee Engagement</li> <li>■ Learning &amp; Development</li> <li>■ Occupational Health &amp; Safety</li> </ul> <p><b>Environment</b></p> <ul style="list-style-type: none"> <li>■ Energy Efficiency</li> <li>■ Air Pollution &amp; Noise</li> </ul>
IMPORTANT FOR EXTERNAL STAKEHOLDERS	<ul style="list-style-type: none"> <li>■ Environmental Management Systems</li> <li>■ Waste Management &amp; Recycling</li> <li>■ Biodiversity &amp; Ecosystems Services</li> <li>■ Environmentally &amp; Socially Responsible Products &amp; Services</li> <li>■ Transparency &amp; Disclosure</li> <li>■ Respect &amp; Support Workers' Rights and Labor Relations</li> <li>■ Diversity &amp; Equal Opportunities</li> <li>■ Health Management &amp; Well-Being</li> <li>■ Security Risk Management &amp; Business Continuity Planning</li> <li>■ Direct Economic Impact</li> <li>■ Indirect Economic Impact &amp; Tax</li> <li>■ Corporate Citizenship</li> </ul>	<ul style="list-style-type: none"> <li>■ Human Rights Due Diligence</li> </ul>
	IMPORTANT FOR DEUTSCHE POST DHL GROUP	HIGHLY IMPORTANT FOR DEUTSCHE POST DHL GROUP

**Methodology behind the materiality analysis**

Identifying those issues considered material by Deutsche Post DHL Group involved a four-step process.

First, 500 different stakeholder representatives participated in an international, anonymous online survey and shared with us their input on the importance of sustainability issues for the Group, as well as their feedback on the Group's performance in the respective areas. Participants in the survey included employees, customers, investors, non-governmental organizations (NGOs), policymakers, suppliers, journalists, academic institutions, associations and councils, as well as CR experts from other companies.

The survey questions were based on the following five thematic areas: ethical governance and sustainable business strategy, product responsibility and business practices, working conditions and the safeguarding of human rights, environmental protection and corporate citizenship. The list of issues was established according to today's most important sustainability initiatives and standards (including the Global Reporting Initiative – GRI, UN Global Compact, OECD), and also based on the requirements of customers, CR rating agencies and internal evaluation methods. The issues identified in 2015 were largely the same as those identified for our company in 2013.

As a second step, the results of the stakeholder surveys were combined with insights gained from other relevant sources of information. These sources included:

- Information from interviews with selected stakeholders
- Analysis of customer requirements
- Insights gained from external evaluations by CR rating agencies
- Evaluation of global trends and issues (Issues Monitoring), as well as
- The impact of the logistics industry on environment and society based on the Green Transformation Lab's impact study "Responsibility to act".

The third stage of the process involved interviews with members of our internal Responsible Business Practice Council as well as with members of the Deutsche Post DHL Group Board of Management, who were asked to provide their input on possible focus issues and their relevance. In addition, an evaluation was performed by the Sustainability Advisory Council, which is made up of independent external CR specialists.

In the final step, issues identified as material by internal and external evaluations were reviewed and confirmed by the Board of Management, and then assigned individual KPIs and target objectives.

The material issues along with their KPIs and targets form the basis for the continuous performance improvement process and the associated reporting, both internally and externally.

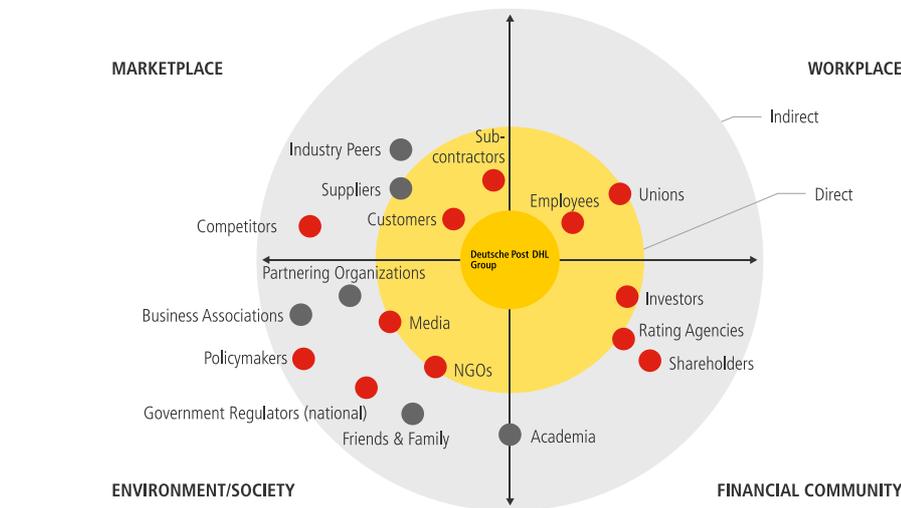
# STAKEHOLDER RELATIONS

Our forward-looking corporate strategy makes clear our aspiration to respond to the needs and requirements of the Group’s diverse range of stakeholders in our day-to-day business activity. As part of a global conference for Deutsche Post DHL Group communications and sustainability managers, held from June 24 – 26, 2015 in Berlin, some 110 participants from various divisions and regions across the Group took part in workshops to identify and validate stakeholder groups and relevant issues for the respective regions. As part of the materiality analysis, we also created a stakeholder map and analyzed the strategic relevance of each stakeholder group.

## Stakeholder engagement ✔ PwC

Maintaining regular dialogue with our stakeholder groups is a high strategic priority for our company and a core component of our CR management approach; it is critical to understanding and effectively addressing the social and business challenges considered most relevant for our Group. We engage in a range of different dialogue formats to deepen the dialogue with our stakeholders and gain an even better understanding of their views and expectations. Some of these formats include roundtable discussions, direct feedback following events, and detailed stakeholder surveys. Comprehensive stakeholder surveys also provide key input for updating the materiality analysis, which is an ongoing process.

### Deutsche Post DHL Group stakeholders



● = critical for licence to operate

In the reporting year we published a Stakeholder Engagement Guideline complete with training materials. The goal of the SE Guideline, which is based on the international AA1000 Stakeholder Engagement Standard (AA1000SES), is to streamline and standardize the stakeholder dialogue process across the Group. We have established internal exchange platforms and conducted various trainings as a way to further improve our employees’

knowledge of the SE Guideline and their overall stakeholder orientation. This included a Stakeholder Engagement Forum on October 8, 2015 in Bonn, as well as teleconferences with employees in Asia, Europe and the US. During the reporting year, the Group also invested in the redesign of the DHL Innovation Center in Troisdorf and opened the Asia Pacific Innovation Center (APIC) in Singapore. Both locations offer central platforms where DHL experts can work together with customers and stakeholders on innovation-related topics.

## Stakeholder groups, dialogue formats & events

We communicate with our stakeholders in a number of different ways to address our core CR issues. For example, at our Innovation Centers in [Troisdorf](#) and [Singapore](#) we are currently working closely together with our customers and a network of research and industry partners to develop long-term solutions that will keep the flow of goods moving around the world and provide solutions to the ever-changing requirements of global supply chains.

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### Examples of stakeholder activities in 2015

#### Citizens

Dialogue on corporate responsibility topics through events and participant feedback

- Feedback as part of the “Formula E” racing series event (see Customers)

#### Experts

Public, semi-public and closed-door dialogue with opinion leaders about social developments and their impact on logistics

- CDP Climate Leadership Conference: On November 4, 2015 Deutsche Post DHL Group hosted the Carbon Disclosure Project DACH Leadership Award Conference & Ceremony in Bonn. As part of the event, some 300 industry representatives and investors discussed the results of the CDP Climate Disclosure & Performance Scores, which had been published that same day.

#### Investors

[Annual General Meeting](#), announcement of [annual and quarterly results](#), regular investor [road shows](#), investor conferences, investor surveys and studies

- Normura European Responsible Investing Conference: Presentation of the Group’s [CR activities](#) to SRI investors on May 21, 2015 in Paris.

#### Media

Continuous dialogue and exchange with the media, active and reactive media relations, media monitoring, media response analysis, media cooperations, workshops, social media activities, [Logistics Newsroom](#)

- [Deutsche Post DHL Group media relations portal](#)  
The media relations platform points journalists and other members of the media community to media contacts within the Group and supports them in gathering information on Deutsche Post DHL Group as well as its brands and products by providing targeted access to the most recent news,

background reports, images, audio and video material, as well as social media applications and the Logistics Newsroom.

## Customers

Annual customer satisfaction survey, market research, numerous customer conferences and events, customer magazines, Customer service center, workshops in the DHL Innovation Centers

Digital: Websites, social media channels, Logistics Newsroom

- **Customer event: Formula E racing series**  
As operator of one of the industry's largest fleets of green vehicles, we are official logistics partner of the FIA Formula E Championship racing series. Over the course of the reporting year, races were held in Argentina, Germany, Russia, the UK and the USA. We use the Formula E events, which feature fully-electric racing cars, to engage visitors and obtain feedback on six fundamental questions pertaining to e-mobility. In 2015 over 2,600 individuals took part in the survey. 57% of survey participants believe that e-mobility will prevail as the drive technology of the future. 57% also believe that the Formula E racing series contributes to better awareness and understanding of e-mobility. More than half of those surveyed consider Deutsche Post DHL Group a leader in the development of sustainability technologies.
- **Delivered: Our global customer magazine**  
Published five times a year, this magazine features extensive information and expert opinions on logistics solutions as well as industry and sector trends. New content is constantly being added to the magazine's online version.
- **Innovation Centers**  
The Innovation Center in Troisdorf was completely redesigned to help drive the development of innovations in cooperation with customers and a network of industry and research partners. It was officially reopened on May 19, 2015.

A new center, the first of its kind in the Asia-Pacific region and the company's first outside of Germany, was opened in Singapore on December 9, 2015. It serves as regional platform for developing innovative global supply chain solutions in collaboration with customers, industry partners, and independent experts.

## Suppliers and transportation subcontractors

Participation in trade association working groups and other industry initiatives to, among other things, develop industry-wide standards for emissions data measurement

- Follow-up meeting: Smart Freight Latin America Roundtable  
Representatives from the various national Green Freight programs and other stakeholders gathered in São Paulo on September 14, 2015 to exchange information and insights on the existing programs in China, France and the USA. Participants explored possible collaboration opportunities for developing similar programs in Latin American countries such as Argentina, Brazil and Chile.

Supplier management: [DPDHL Group Supplier Day](#)

- DPDHL Group Supplier Day  
Discussion rounds, lectures and workshops were held on May 4, 2015, with more than 370 international participants, including representatives from the Group's strategic suppliers.

## Opinion leaders

Public dialogue with opinion leaders from various fields as part of our Delphi Dialog format

- Delphi Dialog 2020: "Happ-e-Ness – How digitization influences our satisfaction with life"  
Some 130 experts from politics, business, academia and the media convened on November 25, 2015 in Berlin for the tenth Delphi Dialog to exchange views on the topic of "Happ-e-Ness – How digitization influences our satisfaction with life". The discussion also highlighted the "Deutsche Post Atlas of Happiness 2015", which was published on the day of the event.

Publication of [Trend Reports](#)

- Deutsche Post DHL Group regularly conducts and publishes studies on global trends and issues being debated in society and in the logistics industry. In the reporting year, trend reports were published on the [Internet of things](#), [Omni Chanel Logistics](#) as well as [Fair and Responsible Logistics](#) in collaboration with customers, partners and industry experts.

## Employees and their representatives

Annual [Employee Opinion Survey \(EOS\)](#), Employee Trend Monitor (four times per year), internal media, discussion platforms on the Intranet and Extranet, internal collaboration platform (Yammer), employee

- Our annual Employee Opinion Survey (EOS) is central to our ongoing dialogue with our employees. The results help us gauge how close we are to achieving our Employer of Choice aspiration.

events, works council meetings, works council committees, Deutsche Post DHL Forum (twice yearly)

### Non-governmental organizations (NGOs)

Regular meetings, conferences and symposia; ongoing partnerships and collaborative projects

- We participate in industry-wide initiatives such as the United States Environmental Protection Agency (US EPA) SmartWay program, and have played an active role in the founding of the Green Freight Europe and Green Freight Asia initiatives.

### Policymakers

Regular events to promote dialogue on the latest economic and social developments

- Delphi Dialog 2020: “Happ-e-Ness” – How digitization influences our satisfaction with life” (See Opinion leaders)

### Science and research

Collaboration on innovation projects, dialogue via conferences and symposia

- Round table forum “Was macht einen globalen Logistikkonzern zum Vorreiter beim Klimaschutz?” (What makes a global logistics company a leader in climate protection?) Discussion format during the Carbon Disclosure Project DACH Leadership Award Conference & Ceremony, which took place November 4, 2015 in Bonn. Fifteen selected participants explored, among others, the following questions: What kind of contribution do you expect from a global logistics company in the fight against climate change? What measures should be taken to balance environmental and business objectives?
- Delphi Dialog 2020: “Happ-e-Ness” – How digitization influences our satisfaction with life” (See Opinion leaders)

## Memberships and partnerships

Partnerships with or memberships in national and international organizations are of considerable strategic importance for us and our work. The dialogue with these partners/ organizations is a significant contributor to our successful practice of corporate responsibility.

Memberships allow us to have an impact on comprehensive issues like sustainability. They include for example the World Economic Forum (WEF), the United Nations Global Compact (UNGC) as well as the international Partnering against Corruption (PACI) Initiative.

We cooperate with a number of establishments and institutions on the full range of our CR activities and develop common solutions and positions on specific issues.

In the area of health and occupational safety, for example, these efforts included work with the World Health Organization, the global Occupational Health and Safety network of the International Organization of Employers and the European Road Safety Charter.

We participate in a number of industry-led initiatives dedicated to environmental issues. These include, among others:

- aireg – Aviation Initiative for Renewable Energy in Germany e.V.  
As part of aireg, we are currently working alongside other companies to advance the development of alternative aviation fuels.
- The Business for Social Responsibility Clean Cargo Working Group  
Here we are working with others towards greater sustainability in ocean freight shipping.
- Global Logistics Emissions Council (GLEC), Green Freight Asia, Green Freight Europe  
These initiatives are dedicated to harmonizing emissions calculation methodologies and increasing awareness among road transport subcontractors about the importance of emission data.

Memberships in the area of Corporate Citizenship offer us the opportunity to further develop a standardized calculation method and support our employees involved in social causes. For many years now, we have worked closely together with recognized cooperation partners:

- LBG Network  
Our membership in this network enables us to support the further development of the LBG model, which we use to evaluate our corporate responsibility activities.
- United Nations Development Programme (UNDP)  
Our commitment to UNDP makes us part of a global humanitarian system. To date, we have enjoyed a ten-year partnership with the United Nations.
- Teach For All, Inc.  
We share the philosophy of this organization: Teach For All is dedicated to the idea that

every child should have access to quality education regardless of their parents' socio-economic status. We also encourage our employees to get involved as mentors in their free time.

- SOS Children's Villages of the Hermann-Gmeiner-Fonds Deutschland e.V. around the world  
We support SOS Children's Villages in their efforts to help young people transition to professional life and improve their chances for a self-determined life.

A complete list of memberships and partnerships can be found on the [Group website](#).

## BOARDS AND COMMITTEES

As a listed German public limited company, Deutsche Post AG has a dual management structure. The Board of Management is responsible for the management of the company. It is appointed, overseen and advised by the Supervisory Board. The Board of Management and the Supervisory Board are in regular dialogue regarding strategic measures, planning, business development, risk exposure and risk management as well as company compliance. The Supervisory Board Report in the [Annual Report 2015](#) provides information on issues and decisions that were discussed by the Supervisory Board.

### The Board of Management

The Board of Management, with the consent of the Supervisory Board, has established rules of procedure that lay down, among other things, the cooperation within the Board of Management. As such, each Board member manages their department independently and regularly informs the rest of the Board about key developments. The Board of Management as a whole decides on matters of particular significance for the company or the Group. These include all decisions that pursuant to the rules of procedure must be presented to the Supervisory Board for approval as well as those tasks the Board is statutorily prohibited from delegating. In making their decisions, Board of Management members may not pursue personal interests or exploit business opportunities due to the company if such pursuits are for their own benefit. They are required to disclose any conflicts of interest to the Supervisory Board without delay. The Articles of Association (shareholders' agreement) can be found on the [Group website](#).

## The Board of Management



**Dr. Frank Appel**  
Chief Executive Officer<sup>1</sup>  
Appointed until Oct. 2017



**Melanie Kreis**  
Board Member for Human Resources  
Appointed until Oct. 2017



**Lawrence A. Rosen**  
Board Member for Finance,  
Global Business Services  
Appointed until Aug. 2017



**Jürgen Gerdes**  
Board Member for Post - eCommerce - Parcel  
Appointed until June 2020



**Ken Allen**  
Board Member for Express  
Appointed until July 2020



**John Gilbert**  
Board Member for Supply Chain  
Appointed until March 2017

<sup>1</sup> Frank Appel is also responsible for Global Forwarding, Freight until further notice.

The Board of Management comprises seven positions that have been occupied by six members, one of them female, since 2015. The curriculum vitae of Board of Management members, as well as the board department functions, appointment periods and other mandates can be found on our [Group website](#).

### Organizational changes to the Board of Management in 2015

On April 27, 2015, Roger Crook stepped down from the Board of Management. Until the appointment of a new board member for the Global Forwarding, Freight division, the CEO, Dr. Frank Appel, has taken over the corresponding tasks in a dual role.

### The Supervisory Board

The Supervisory Board advises and oversees the Board of Management; it also appoints the members of the Board of Management. It has established rules of procedure that include the fundamental principles of its internal structure, a catalog of Board of Management transactions requiring its approval as well as rules for the Supervisory Board committees. It meets at least twice every half calendar year. Special meetings are held whenever particular developments or measures need to be discussed or decided quickly. In addition, the Supervisory Board has [six committees](#) that are charged primarily with preparing the resolutions of the Supervisory Board's plenary meetings. The Supervisory Board delegates ultimate decision-making on individual issues to the committees.

The Supervisory Board has 20 members, ten shareholder representatives that are elected by the Annual General Meeting and ten employee representatives that are elected by employees in accordance with the provisions of the German Corporate Governance Codex. All members of the Supervisory Board are independent as defined in the German Corporate Governance Codex. Women comprise 35% of the Supervisory Board. This exceeds the legal requirement in Germany.

**35%**

women in the Supervisory Board

The curriculum vitae of shareholder representatives and the composition of Supervisory Board committees can be found on our Group website.

### Managing corporate responsibility ✔ PwC

The standards for responsible corporate governance are set in the Corporate Center and in Global Business Services. These include first and foremost the company’s strategic direction, systematic dialogue with stakeholder groups, Group policies that are key for corporate responsibility such as the Code of Conduct, and cross-divisional functions such as compliance and supplier management. Standards are also set for remuneration in the Group, health management and occupational safety. The divisions are responsible for connecting customer requirements with the strategic and ethical principles of corporate responsibility and for anchoring the Code of Conduct for Suppliers in their contractual relationships.

## Management of corporate responsibility



<sup>1</sup> The term "supplier" also refers to our transportation subcontractors.

### Key internal bodies and working groups

- **Responsible Business Practice (RBP) Council and RBP Working Group**  
Cross-divisional dialogue between the central functions and the divisions on the different

issues of responsible corporate governance takes place in the RBP Working Group. In this forum, progress and best practice examples are shared, new aspects discussed and information and decision documents are created for the RBP Council. As the decision-making body, the RBP Council is composed of managers from the divisions and Group functions. Issues are presented to the Board of Management depending on the scope of the decision-making need.

- **HR Board**

The HR Board manages personnel issues throughout the Group. The Board Member for Human Resources serves as chair. Members of divisional HR departments and central HR functions are represented.

- **Diversity Council**

The Council sets the strategic orientation of diversity while taking into account the specific requirements of diversity management in the divisions.

- **Operations Board**

Executives from every division are represented on the Operations Board, which is headed by the Chairman of the Board of Management. Its responsibilities include management and development of occupational safety KPIs.

- **Occupational Health & Safety Committee**

The committee is responsible for defining cross-divisional regulations and standards in occupational safety, identifying high-accident rate areas, developing appropriate prevention measures, and laying the groundwork for decisions of the Operations Board.

- **GoGreen Sponsors Board**

At the Group level, the GoGreen Sponsors Board presides over the implementation of the environmental strategy and the development of environmental products. The board is headed by the CEO and consists of executives from all divisions as well as representatives from the relevant corporate functions. Environmental protection issues are also discussed regularly at Board of Management meetings. In each division, and in the larger regions locally as well as at the country and site level, there are GoGreen Teams that report directly to the business development units.

## External advisory bodies

In both of these bodies, we seek out the perspectives and expertise of external experts:

- **Sustainability Advisory Council (SAC)**

The SAC is charged with examining our sustainability agenda from an external point of view. It consists of independent experts and progressive thinkers from different disciplines (science, economics, the humanitarian community, the environment, logistics, politics, the media, and ethics).

- **Integrity Board**

The Integrity Board deals with fundamental questions of corporate integrity and the organization of superordinate integrity management and the further development of our Code of Conduct. It is composed of Group managers as well as prominent external persons.

# EXTERNAL RECOGNITION

Our performance as a company is evaluated independently against economic, ecologic, social or ethical standards by rating agencies and other institutions according to their own autonomous principles. We also utilize select rating platforms to have our performance capability as a service provider externally evaluated according to similar standards.



»External ratings from rating agencies and investment recommendations from equity analysts reflect assessments of the performance capabilities of organizations. In addition to gauging current and future financial strength, these assessments also reflect stakeholders' increasing demands for corporations to act responsibly. Transparency and reliable measurement of performance indicators create positive incentives for companies to continue to improve their performance in economic, environmental and social affairs.«

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LAWRENCE A. ROSEN  
BOARD MEMBER FOR FINANCE, GLOBAL BUSINESS SERVICES

In the reporting year, diverse ratings agencies and the ESG performance platforms confirmed our positive ratings. Moreover, we were distinguished for our performance in the areas of diversity, health and occupational safety, and environmental protection.

## Key ratings from ratings agencies in 2015

MEMBER OF  
**Dow Jones Sustainability Indices**  
In Collaboration with RobecoSAM

**SUSTAINALYTICS**

**CDP**  
CLIMATE DISCLOSURE LEADER 2015

**MSCI**

**FTSE4Good**

Corporate Responsibility **Prime**  
rated by **oekom research**

## Rating management

An increasing number of investors are integrating non-financial KPIs and the rankings of CR rating agencies in their company analyses and using them as a basis for investment decisions. At the moment 42% of our share capital is held by signatories of the Principles for Responsible Investment (PRI) initiative, whose aims include advocating for more transparency in the reporting of non-financial key performance indicators.

**42%**

**of our share capital is held by signatories of the PRI initiative**

Customers too with increasing frequency view a company's presence on an ESG index as an additional criterion in their business-making decisions.

For our company these ratings primarily have a strategic significance. We consult them when we review the direction of our CR activities and use them as a benchmark comparison. Rating agencies have a place among those stakeholders we involve in the stakeholder survey component of our materiality analysis. We intend to deepen the dialogue with them.

## Achievements in 2015

Major achievements in the reporting year were our relisting in the Dow Jones Sustainability Indices (DJSI World, DJSI Europe), once again receiving the RobecoSam Bronze Class sustainability award, and with regard to environmental protection scoring the maximum number of points in the CDP. Of special significance was the "AAA" rating that we again received from MSCI. Deutsche Post DHL Group still remains the only logistics company to receive this top score.

We were also able to maintain our good ratings as a service provider. The Electronic Industry Citizenship Coalition (EICC), for example, awarded us 93 out of 100 points, which amounted to a low-risk rating; EcoVadis confirmed our Gold Standard. Our spot on Newsweek's ranking of the "World's Greenest Companies" saw quite an improvement in 2015, up 18 places over last year.

## External ratings for 2015

Ratings	Score
CDP Carbon Disclosure Project	100 out of 100 points
FTSE4Good	3.5 of 5
MSCI	AAA
Oekom Research	C+ Prime Standard
RobecoSam	Bronze Class
Sustainalytics Research	Rank 6 among 143 companies, industry leader

ESG indices	Score
CDP Climate Disclosure Leadership Index (DACH)	✓
DJSI World Index, DJSI Europe Index	✓
Euronext Vigeo – Eurozone 120 Index	✓
Euronext Vigeo Europe 120 Index	✓
FTSE4Good Europe and Global Indices	✓
MSCI Europe and Global Indices	✓
STOXX Global ESG Leaders Index	✓

Supplier ratings	Score
EcoVadis	Gold Standard
Electronic Industry Citizenship Coalition (EICC)	93 out of 100 points

Rankings	Rank
International Postal Corporation	Rank 2, Gold Standard
Newsweek World's Greenest Companies	Rank 125 out of 500

## Awards & distinctions

In 2015, Deutsche Post DHL Group once again received numerous distinctions from customers, environmental and social organizations, and other institutions. These awards reflect high global recognition of our corporate responsibility activities, and strengthen our resolve to set the standard in this area as well. We received renowned awards and distinctions in every priority area of our CR activities. The complete list can be found on the [CR website](#).

### Awards & distinctions (excerpt)

- SAMA Excellence Awards™ 2015**  
 Award for both “systematic enterprise methodology to enable customer-driven innovation” and for “use of business and/or social technologies to optimize the discovery and sharing of customer issues and insights”

## Employees

- **Total E-Quality Award**  
Recognition for establishing long-term equal opportunity for men and women in human resources work and for exemplary activities in the area of diversity
- **Healthy Workplaces Good Practice Award**  
Award of the European Agency for Safety and Health at Work for activities in the area of stress management in the workplace
- **German Corporate Health Award**  
Prize for our company's outstanding dedication to health management awarded by the European Network for Workplace Health Promotion and the BKK umbrella association
- **Top Employer Global 2015**  
Awarded to employers that globally create optimal conditions for their employees to develop, professionally and personally; DHL Express was the only company to be recognized for employee development and working conditions on all continents.

## Environment (Shared Value)

- **Huawei Supplier Sustainability Excellence Award 2015**  
In recognition of the Group's close collaborative efforts with customers and business partners such as Huawei in their bid towards sustainability
- **SHD Environment/Logistics Award 2015**  
In recognition of quantifiable reductions in carbon emissions, and innovative, sustainable solutions
- **Sustainable Business Awards Singapore 2015**  
Award received two times in a row in the category of energy management for innovative, energy-efficient and sustainable supply chain solutions
- **Green Brands Germany 2014/2015**  
Awarded every two years to flagship brands in Austria, Germany and other European countries to companies taking the lead in environmental sustainability
- **CDP Supplier Climate A List**  
This ranking recognized 71 out of 4,000 companies worldwide for their efforts in transparency, strategy and target-setting as well as extraordinary activities in the area of climate protection
- **Payload Asia Awards 2015**  
Green Award and Corporate Social Responsibility Award for our express business in the Asia/Pacific region

## Corporate Citizenship

- **Tiger Award 2015**  
Recognition for the Group's longstanding support of the global Teach For All network

## ESSAY

### Contributing to the environment and society – A performance factor



A look into the future shows that corporate responsibility will continue to gain in importance. There is an urgent need for responsible business practices that go beyond company walls. The international community faces tremendous social, environmental and economic challenges which policymakers and society can only overcome in partnership with industry. And in the spirit of Shared Value, businesses are also recognizing the huge potential that responsible business practice offers in securing both their innovative ability and their future success.

Dialogue with various stakeholder groups is of particular importance. It gives companies valuable insights when setting out their business and sustainability agendas. Engaging in dialogue is vital if a company is to understand and assess stakeholder needs, and then use the outcome of those assessments to develop and deliver innovative, sustainable products, services and business processes for the markets of tomorrow. Stakeholder capital becomes a competitive factor – and a valuable currency in business terms.

Demographic change will also influence entrepreneurial activity in the future. We will soon see a generation shift as the Millennials, people born between 1980 and the early 2000s, take over the helm. These young people have grown up with a heightened awareness for corporate responsibility issues such as environmental protection, social equality, fair working conditions and diversity. They are a generation that simply expects companies to act responsibly. Be it as customers, employees or investors, they will challenge corporate authenticity to an even greater extent than we see today.

» With our sustainability management approach, we set ourselves realistic, quantifiable targets and continually measure the progress we make towards achieving them. This ensures that our contribution to the environment and society is balanced with our financial interests as well as our goal of becoming a benchmark for responsible business. «

A company's contribution to the environment and society is increasingly becoming a performance and differentiation factor. Its growing relevance can be seen in the high expectations placed on regular progress assessment and reporting. Industry thus faces a dual task, one of improving the transparency and comparability of non-financial performance indicators, and meeting increasing legal requirements when preparing and publishing reports. External ratings by CR rating agencies pitch companies into competition with each other. More and more business customers and investors consider companies' performance ratings as reliable indicators of the effectiveness of their business practices and their

resilience to risk. The need to make business decisions on the basis of good corporate governance criteria closes the loop between sustainability and economic performance.

We at Deutsche Post DHL Group view the challenges that lie ahead with careful optimism and have made corporate responsibility an essential component of our corporate strategy. We want to meet both our own high standards and our stakeholders' growing expectations. With our sustainability management approach, we set ourselves realistic, quantifiable targets and continually measure the progress we make towards achieving them. This ensures that our contribution to the environment and society is balanced with our financial interests as well as our goal of becoming a benchmark for responsible business.

**Prof. Dr. Christof Ehrhart**

Executive Vice President Corporate Communications and Responsibility



# mo | ti | va | ting

[adjective];  
stimulating, inspiring, encouraging

# WHAT DOES MOTIVATING MEAN FOR US?

Our employees are our most valuable resource. As part of our corporate culture we respect and appreciate the performance of each and every employee, and we encourage them to develop their potential to the full. This benefits employees, the company and society as a whole.

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## INTERVIEW WITH MELANIE KREIS



»We see that employees and applicants alike are placing increasing importance on corporate responsibility. We are well able to meet their expectations and receive positive feedback regarding our activities as a responsibly managed business.«

[READ INTERVIEW ON PAGE 67 →](#)

## MANAGEMENT APPROACH & TARGETS

The financial strength, performance and ultimate success of Deutsche Post DHL Group is founded on the commitment, creativity and know-how of its people. The Group employs some 500,000 people around the world, and it is their ability to deliver peak performance on behalf of our customers – and their commitment to continuous improvement – that will allow us to remain the world’s postal and logistics leader into the future. It’s no accident that one of the Group’s three corporate strategy objectives is to become and remain Employer of Choice in the industry. The job of Human Resources at Deutsche Post DHL Group is to make a tangible contribution to the company’s business success; it does this by recruiting the right people to fill open positions, and by continuously motivating and developing our existing workforce worldwide. We treat our people with respect and honor their contribution with competitive remuneration. This is the foundation for productive working relationships over the long term.

Our Code of Conduct guides us in our actions as individuals and as a company; it is the foundation for a corporate culture characterized by openness, trust and mutual respect. We see great strength in the diversity of our workforce and the potential in each and every one of our employees. Ours is a working environment that opposes any form of discrimination. The objective of our diversity management is to increase diversity awareness at all levels of the company and to reinforce employee commitment to conduct based on respect and a sense of personal responsibility.

The safety and health of our employees is our highest priority. Workstations are designed and equipped according to the latest workplace standards, and we offer a broad range of trainings on topics from accident prevention to healthy lifestyle choices. This not only meets our obligations as a responsible employer, but also helps boost employee motivation and performance.

The high-level quality of our products and services results from the dedication, know-how and innovative strength of our employees. Our Group-wide initiative Certified is designed to promote the growth and development of our employees, making them the best in the business. The modules convey knowledge specific to an employee’s respective division and function, as well as more general content relevant to all Group employees.

We use our annual Employee Opinion Survey to assess employee engagement and motivation. The survey is a central element in the open and constructive dialogue we maintain with our employees. Survey results are used, among other things, to derive our “Active Leadership” indicator, which helps determine bonus payments for all company executives.

## KPIs & targets

We measure the success of our HR measures with the help of various KPIs, which we track and evaluate with the help of the HR Scorecard; results are then reported to management on a regular basis. For the core HR themes, which were reaffirmed by the 2015 materiality analysis, we have defined the following management parameters and targets:

### KPIs and targets

Focus area	KPI	Target
<u>Employee engagement</u>	KPI "Active Leadership"	We want to increase the approval rating to 74% in 2016
<u>Training and HR development</u>	Participation in Certified initiative	80% of our workforce is to be certified by 2020
<u>Occupational health and safety</u>	Accident rate (LTIFR)	Suitable targets will be reviewed and set in 2016

## WORKFORCE STRUCTURE

**497,745**

employees at the end of 2015

**35.5%**

female employees

At the end of 2015, our global workforce numbered 497,745 employees. This makes us one of the biggest employers in the world. Given our position as the leading postal and logistics services provider, we are constantly creating new and secure jobs. We have some 327,000 employees in Europe. Of these, around 209,000 are based in Germany, where our headquarters are located. At the end of the reporting year, we had 8,900 more employees as compared to the previous year.

Our global workforce comprises 64% men and 36% women. One of our objectives is to make career opportunity within our company equally attractive to women and men. However, for jobs involving strenuous physical activity, we do receive more applications from men than from women.

**20.7%**

women in management

**18%**

part-time employees

In upper and middle management, the share of women in executive positions is 21%. Through the use of targeted measures, we aim to better prepare our women employees to

take on leadership positions and thus further increase the share of women in middle and upper management.

While some 18% of employees worldwide work part-time, as many as 34% do so in Germany.

Detailed data concerning our total workforce and associated trends are provided in the Annex of this report.

## Employees

Worldwide

**497,745**



Americas	Europe	Other regions	Asia Pacific
<b>78,027</b> employees	<b>326,979</b> employees	<b>18,896</b> employees	<b>73,843</b> employees
Female employees 32.0%	Female employees 38.7%	Female employees 22.3%	Female employees 28.8%
Male employees 68.0%	Male employees 61.3%	Male employees 77.7%	Male employees 71.2%
Turnover 31.1%	Turnover 8.0%	Turnover 15.4%	Turnover 19.2%
Accident rate 1.4	Accident rate 6.3	Accident rate 0.8	Accident rate 0.3

## EMPLOYEE SATISFACTION

We believe that a system of performance-based, market-standard remuneration that is both oriented towards the company’s business goals and provides long-term incentives plays a key role in strengthening, motivating and retaining our employees. Along with monetary remuneration, non-financial incentives are also very important to us.

First and foremost, this means a secure job, open employer-employee dialogue based on respect, honesty and mutual trust, attractive career development opportunities, a safe work environment and extensive health services.

## Compensation

Monetary compensation includes a base salary plus variable remuneration components like bonus payments that are subject to national and position-specific requirements and regulations. Across the Group more than 70% of our workforce is employed under contracts where monetary compensation is impacted by regulatory frameworks like legally binding statutory increases, collective labor agreements or works agreements.

Positions are evaluated and graded based on job classification and responsibilities. In accordance with our Code of Conduct and Corporate Diversity & Inclusion Statement, this occurs independently of personal factors, such as age, gender, religious affiliation, skin color, sexual orientation and ethnic background which could incite discrimination. We apply a systematic job evaluation approach to ensure fair and equitable compensation within the company.

Aware of our responsibilities as an employer, our pay structures take into account not only national minimum wage requirements and the needs of our divisions, but local market demands as well. We strive to offer fair and competitive compensation packages in all of the markets we serve.

In addition to direct cash compensation, we provide employees in many countries with access to defined benefit and defined contribution retirement plans. In some countries, Deutsche Post DHL Group assumes the costs of health insurance and treatment. In countries with primarily privately financed health systems, we provide employees with access to health insurance by way of health insurance allowances.

### Remuneration for employees in Germany

In contrast to many other countries, the majority of our employees in Germany receive wages or salaries covered by collective wage agreements. In many of our companies throughout Germany, our wage-scale employees also receive a performance-based bonus in addition to their wage or salary. At our principle company Deutsche Post AG in Germany, wage-scale employees generally receive a bonus of between 5% and 17.5% of their annual base salary. Non-managerial, non-pay-scale employees are entitled to a bonus of between 17.5% and 40% of their annual base salary.

### Sustainable collective wage agreement

A sustainable collective wage agreement was concluded on July 5, 2015 for employees at our principle company in Germany, Deutsche Post AG, ensuring security and new perspectives for employees while laying the foundation for future growth for the company.

The agreement was reached following a tough and lengthy wage dispute which was settled thanks to the willingness to compromise and enter into constructive dialogue shown by

company management, employee representative and the trade unions. Detailed information about the collective wage agreement can be found in the [Annual Report 2015](#).

As one of the key outcomes of the agreement, our DHL Delivery companies remain part of the Group's Post - eCommerce - Parcel division. Employment with the new companies is subject to the prevailing regional collective wage agreements for the transportation and logistics sector negotiated between the sectoral employer associations and trade union ver.di. With these new companies, we have the ability to create new, attractive and, most importantly, permanent jobs while placing our parcel business on a robust and sustainable footing by paying more competitive wages.

### Partial retirement and the Generations Pact

In Germany in particular, an aging workforce poses a significant human resources challenge for our [HR management system](#). One innovative response comes in the form of the Generations Pact signed in 2011 between Deutsche Post AG and the trade unions, which largely comprises a partial retirement program and working-time accounts. Comparable provisions also apply as of 2016 for civil servants employed by our parent company in Germany, Deutsche Post AG.

### Additional benefits

In addition to monthly monetary compensation, we also offer attractive non-financial benefits to our employees.

### Working models to help balance family and career

Working models and forms of work are constantly changing. We offer flexible working models which vary according to operational needs and requirements. These measures help our employees to better combine and balance family and career.

### Offerings to support work/life balance

Deutsche Post DHL Group is actively investing in the expansion of childcare opportunities at locations where it is operationally feasible. In Bonn, for example, we have created company-supported childcare facilities for our employees at headquarters. We also helped fund the construction of a new childcare facility located near our Express air hub in Leipzig.

We work together with a [service provider](#) to support employees in matters relating to childcare and the care of family members. We also offer a Relocation Service to facilitate work-related moves and get employees settled in their new environment quickly and easily.

### Scholarships for employee children

Fostering employee loyalty is one aspect of our "UPstairs" scholarship program. Since launching the program, we have provided over 1,800 scholarships to employee children in more than 120 countries around the world. To be eligible for the scholarship, the family income may not exceed a specified limit, which

**1,800**

scholarships for employee children

varies according to the respective country. Scholarship holders receive financial support to help pay for tuition, books, learning materials and school uniforms for a period of three years on average. The UPstairs program also provides scholarship holders with individualized support in the form of mentoring by Group employees, internship opportunities at Deutsche Post DHL Group, additional learning materials, and educational courses – in IT or foreign languages, for example. In 2015 the program was expanded to include pre-vocational support such as application writing workshops, summer school courses and work placements.

**Affordable vacations and family subsidies**

The Recreation Service (ErholungsWerk) has been offering holiday travel packages to our current and former employees for over 40 years now. The financial support provided to Recreation Services by Deutsche Post DHL

Group especially benefits children of employees in lower wage groups or of single parents whose earnings fall below a certain amount. A registered association in Germany, the Recreation Service operates several of its own vacation resorts. Employees can also book inexpensive stays at resorts operated by other European postal companies and take advantage of affordable vacation offers from third-party travel providers, including flights, cruises and group tours. In the reporting year, approximately 11,400 vacations were booked via Recreation Services.

**11,400**

**vacations booked**

**Dialogue with our employees**

We practice and promote an open dialogue with our employees that is based on honesty, respect and trust. This means making sure our employees at all levels of our organization are informed on key developments and organizational changes across the Group on a regular basis and in a timely fashion. Moreover, it is the responsibility of our line managers to listen to and engage in dialogue with their employees. The Group makes use of various formats and channels to communicate new developments and information within the company, such as Town Halls, team meetings and one-on-one interactions.

Employees are also encouraged to identify areas for improvement as part of our idea management program. A multi-lingual Intranet-based idea management platform makes it easy for employees to share their ideas and collaborate on improvement suggestions. A bonus system is in place to honor ideas with a proven benefit that have been implemented.

**Group-wide Employee Opinion Survey**

At the heart of our ongoing dialogue with our employees is an annual Employee Opinion Survey (EOS). Conducted across the Group using a standardized questionnaire, the EOS invites employees to share their opinions with

**73%**

**participation rate**

us. The questionnaire, which comprises 41 questions across ten different topic clusters, was revised in the reporting year to further align with our corporate strategy and its goals.

Results from the “Active Leadership” section of the survey, a central non-financial performance metric for the Group, are tied to executive bonus payments. This KPI achieved an improvement of one percentage point over the previous year. Other key survey topics include “Employee Engagement” and the newly introduced KPI “Performance Enablement”.

The updated survey also allows us to benchmark our results against external standards. The 2015 EOS results show that we are slightly above the external average in the category “Employee Engagement“, while results in “Performance Enablement” clearly exceeded the external benchmark. This new indicator was introduced to establish not only whether our employees feel motivated to give their very best to our customers, but also if they feel enabled to make that contribution.

Where questions could be compared with the previous survey, the 2015 results show improvement in nearly all areas.

### Results of the 2015 Employee Opinion Survey

Customer Centricity & Quality		79%
Employee Engagement		73%
Active Leadership <sup>1</sup>		73%
Future & Strategy		69%
Communication		74%
Teamwork		83%
Learning & Development		79%
Job Fulfillment & Workplace		77%
Continuous Improvement		65%
Group Responsibility		75%
Performance Enablement		80%

<sup>1</sup> Relevant for executive bonus payments

The results of the 2015 Employee Opinion Survey have also confirmed the effectiveness of initiatives such as Certified and First Choice. They also confirm our employees’ satisfaction with the company and help us understand how to deliver on our goal of becoming Employer of Choice.

We aim to keep improving on our already good results from the 2015 survey. Based on the changes made to the questionnaire in the reporting year, our goal is to achieve 74% approval in the “Active Leadership” KPI in 2016.

EOS results are also used Group-wide to identify focus areas on regional, country and site level, and to develop actions to address them. This process enables our employees to be involved in continuously improving their working environment.

Detailed results from the Employee Opinion Survey can be found in the [Annex](#) to this report.

# DIVERSITY MANAGEMENT

All across Deutsche Post DHL Group, people from different cultures with diverse backgrounds, world-views and talents come together and work successfully as a team. We consider this diversity a source of tremendous potential – a driver of continued business growth and a key to attracting and retaining talent in our company.

The mandate of diversity management within the Group is to leverage the diversity of our people and promote an environment where each individual can make a difference. We therefore oppose all forms of discrimination. This principle is not only laid down in our Code of Conduct, but affirmed in the [Deutsche Post DHL Group Corporate Diversity & Inclusion Statement](#).

## » All Different - Together Successful «

With approximately 12,000 sites in 220 countries worldwide and a management staff that represents around 100 different nationalities, diversity is simply a part of who we are as a company. Deutsche Post DHL Group was once again [recognized](#) for its efforts in the area of diversity management in the reporting year.

Our commitment to diversity is also reflected in our contribution to [refugee aid in Germany](#). Please see the “Society & Engagement” chapter for additional details.

### Diversity Council & organization

The Diversity Council, an internal committee established two years ago, is chaired by the Board Member for Human Resources and includes senior executives from the central functions and the divisions. This platform drives exchange across the organization, giving us important insights into areas such as regional labor market trends and diversity initiatives within the divisions. The Diversity Council convened twice in the reporting year; topics included women in management and the diversity – of nationalities, for example – within management teams. Diversity Council members also function as advocates for diversity within their respective divisions. In addition to the Diversity Council, the company also has diversity management experts in place at the regional and country levels, which form the Diversity Core Team headed by Corporate Headquarters.

### Raising awareness

Our managers and executives play a key role in putting diversity management into practice on a daily basis – not least because they themselves represent a diverse population. We therefore offer management-level staff special diversity training to foster and promote diversity in the workplace.

## International Diversity Week

To promote understanding of diversity and inclusion among our employees and help link the many different diversity-related activities happening at sites around the world, we extended Diversity Day – a Germany-wide event organized around the “Diversity Charter” – by holding a Diversity Week from June 8 – 12, 2015. During this period, over 120 organized activities and events were held across the Group, giving employees the chance to share their own thoughts and stories about how diversity – such as local cultural or religious customs – is handled in the workplace. The week’s focus was on networking, i.e. using our internal social media to link various diversity initiatives across the Group from Japan to the US. The week’s best initiative was recognized by management with an award.

The Board Member for Human Resources also joined divisional diversity experts to discuss the significance of diversity and inclusion for Deutsche Post DHL Group as part of a special panel discussion held at Group headquarters.

## Reporting & following up on possible violations

As stated in our Code of Conduct we prohibit all forms of discrimination in the workplace. We respond to concerns raised about possible violations thoroughly and take appropriate measures including disciplinary action within the framework of local laws and practices. Suspected violations of the Code of Conduct can be reported through multiple communications channels, including anonymously via our dedicated Compliance Hotline.

## Embracing diversity

**20.7%**

women in executive positions

**+1.4%**

women in executive positions vs. 2014

As part of our commitment to gender diversity within the Group, we have dedicated measures in place to increase the share of women in management positions. Women currently make up 36% of our workforce worldwide. The share of women in upper and middle management across the Group worldwide is 21%.

Our goal is to continue to increase the share of women in executive positions. To do this, Group-wide management data is collected as part of our HR scorecard and reported regularly to the HR Board. We also have a number of professional development programs in place in the divisions for female employees as well as women’s networks.

A key development in 2015 was the implementation of the German Act on Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors. As part of this legislation, we have committed to increasing the share of women in the first

management level to 19% and to 23% in the second management level at our principle company Deutsche Post AG in Germany by the end of 2016.

## Inclusion of employees with disabilities

As a responsible employer we consider it one of our obligations to create a working environment that enables people with disabilities to take an active part in working life. This inclusive approach applies not only to new hires, but to existing employees who become disabled as a result of an illness or accident.

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**15,149**

persons with disabilities

**20**

internships for people with disabilities

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In 2015 we employed a total of 15,149 persons with disabilities at our principal company Deutsche Post AG in Germany. This represents an average annual employment rate of 9.6% and was once again well above the national average in Germany's private sector (4.1% in 2013; source: German Federal Employment Agency).

We make it a point to approach young people with disabilities and offer them the opportunity to learn a trade. At the end of 2015, 16 youths with disabilities were enrolled in apprenticeships in our principal company in Germany, Deutsche Post AG.

We share our experience with disability-friendly workplace solutions with the REHADAT database administered by the Cologne Institute for Economic Research, allowing us to share our best practices with external stakeholders. We are also actively involved in educational campaigns and engaged in dialogue with associations, institutions and other companies on issues of inclusion in the workplace.

Certainly one of the keys to an inclusive society is regular, day-to-day interaction between people with and without disabilities. Because this kind of interaction occurs all too seldom, in the reporting year we initiated an "inclusive delivery teams" project in Germany together with the German charity Aktion Mensch. As part of the project, people with disabilities teamed up with delivery personnel in five delivery districts nationwide to deliver the daily mail.

Deutsche Post will be offering 20 new internships for people with disabilities beginning in 2016.

## LGBTI Network

We treat our employees with dignity and respect, regardless of their sexual orientation, gender identity or gender expression. Over seven years ago we established our Group-wide RAINBOWNET network for LGBTI employees. Founded in Germany, the network has

contact with employees in several other European countries as well as in Malaysia, Singapore and the US.

Deutsche Post DHL Group is also one of the founding members of the PROUT AT WORK Foundation. Established in January 2014, the organization is committed to greater recognition and equal opportunity for LGBTI employees in the workplace. With a seat on the PROUT AT WORK advisory board, Deutsche Post DHL Group has the opportunity to shape the foundation's future and send a clear message in favor of diversity. Over the course of the reporting year, Deutsche Post DHL Group took part in two advisory board meetings.

## EMPLOYEE RELATIONS

### Guiding principles & framework

People are at the heart of what we do. Respect and fairness in the workplace are values that are lived by at Deutsche Post DHL Group. We work together with our employees and their authorized representatives, and engage with them in an open and constructive dialogue.

As signatory of the UN Global Compact, our understanding of employee relations includes the protection of human rights. Our approach, which not only encompasses but goes beyond the scope of traditional industrial relations, includes the prohibition of any form of discrimination and human rights violations, such as forced or child labor; it also includes the right to join (or not to join) a union and the freedom of collective bargaining.

As a service provider we depend on our employees. They are our key competitive advantage. Openness, trust and constructive dialogue are the basis for successful employee relations. Ultimately, the best way to achieve our strategic objective of becoming Employer of Choice is to create a corporate culture in which the commitment and achievements of each individual employee is respected, appreciated and honored.



»Employee Relations is about respect and fairness in the workplace. We have nearly 500,000 employees and that means just as many employee relations.«

TISH CLYDE  
SENIOR VICE PRESIDENT CORPORATE HR INTERNATIONAL

## Sustainable employee relations

Our goal is ensure that our employee relations remain effective over the long term. To do this, we must continue to strengthen the engagement and motivation of our employees and empower our executives and managers to interact with their teams openly, appropriately and responsibly. Our employee relations framework supports us in meeting these requirements, not only ensuring compliance with national laws and practices but helping us to become Employer of Choice. Sustainable employee relations also enables us to anticipate future trends and respond accordingly with new or adjusted processes.

Our approach to employee relations has been well received and officially recognized by internal and external stakeholders alike.

### Employee Relations Forum ✓ PwC

Expanding our employee relations to include human rights supports the further evolution of our corporate culture. To overcome the challenges associated with this change and to improve collaboration between Group divisions as well as with Group headquarters, we established the Employee Relations Forum (ER Forum) – a governance body consisting of employee relations experts from all divisions and from Group headquarters. Its mandate is to proactively address any employee relations issues worldwide that could have cross-divisional or Group-wide impact. It met a total of ten times in 2015. Action recommendations made by the ER Forum are discussed and approved by the HR Board.

Additional ER Forum action areas include:

- Providing best-practice solutions and processes
- Developing trainings tailored to local needs
- Facilitating exchange at regional and country level among the divisions
- Deepening our understanding of stakeholder requirements and expectations with regard to employee relations and human rights issues

### Raising awareness

Since 2013 we have conducted Employee Relations Impact Assessments on the country level as a way to increase awareness of employee relations and anticipate future developments especially in emerging markets. The assessments are based on a due diligence process in line with the United Nations Guiding Principles on Business and Human Rights and help us to better understand employee relations “on the ground” in the respective countries. We also use the assessment to identify challenges in this area and help local management address these challenges with the right tools and processes.

✓ PwC

The assessments include round-table sessions with randomly selected employees from various operating areas. Conducted according to our core value of respect, the round-tables allow employees to voice their opinions. Feedback from these sessions is provided to management anonymously, who are accountable for developing and implementing appropriate actions.

✓ PwC

The assessments are conducted by HR experts from Group headquarters to ensure the necessary levels of competence and objectivity. The selection of assessment sites is based on a set of criteria and aligned with the divisions. Following the assessment, an action plan is developed by local management based on the findings and in dialogue with the Group headquarters. In 2015 we conducted five assessments in Southeast Asia and South America, including two follow-up assessments.

## Training and awareness

Our Group-wide Certified initiative includes modules to raise awareness about employee relations and human rights issues, especially among managers at all levels. We developed an additional training module in the reporting year for all management-level employees, including team leaders and supervisors.

A separate e-learning module for senior managers addresses the changing landscape of employee relations, as well as the challenge of complying with global standards and local practices. Since introducing the module in 2013, more than 50% of the defined target group has successfully completed the online training.

## Exchange with employee representatives

The majority of our workforce is represented by bodies such as employee committees, works councils or unions, or is subject to collective labor agreements. In Germany, where we employ 42% of our workforce, we cooperate with employee representatives in all divisions where works councils have been formed. In fact, half of our Supervisory Board consists of elected employee representatives.

✓ PwC

The primary responsibility for managing local employee representatives and trade unions rests with the divisions at a country and local site level. At the global level we engage in regular dialogue with international union federations such as the UNI Global Union (UNI) and the International Transport Workers' Federation (ITF).

✓ PwC

In the reporting year we met with representatives from UNI and ITF on four occasions as called for in the Joint Statement concluded in 2014 by the German National Contact Point (NCP) of the OECD, Deutsche Post DHL Group, UNI and ITF. The majority of follow-up actions from the OECD Joint Statement have now been closed. The OECD Specific Instance Process will be concluded in a meeting with all parties concerned in the first quarter 2016 at

the NCP office in Berlin. Independently from this, the dialogue with the global union federations will be continued in 2016.

## Initiatives within Europe

Together with our social partners, we participate in an array of initiatives and activities at the European level.

The Deutsche Post DHL Forum is a joint body of employee representatives (European Works Council) and management representatives (European Management Forum) from 30 European countries. The Deutsche Post DHL Forum and its committees met a total of 35 times in the reporting year. The meetings mainly addressed the Group's restructuring efforts in Europe as well as the Group's business growth. The global union federations UNI and the European Transport Workers' Federation are each entitled to send a representative to participate in the two Deutsche Post DHL Forum plenary sessions.

In 2015 the European Social Dialogue Committee for the Postal Sector successfully implemented the "Managing demographic challenges in the postal sector" project funded by the European Commission. The success of the project, including on-schedule completion, was the result of the close collaboration with our European social partners.

In November 2015, partners of the European Social Dialogue Committee for the Postal Sector conducted a two-day seminar in Brussels on the subject of "New Services". More than 60 members and experts took advantage of the opportunity to inform themselves on market developments and new technologies in the postal sector.

## HR DEVELOPMENT AND PLANNING

We have an established method for determining our medium-term staff requirements. This calculation considers age distribution and turnover rate along with projected business growth and expected changes in productivity and allows us to derive very precise estimates of our future staffing requirements. We can also simulate various scenarios and use the results to anticipate potential problems and take action early. For example, we can create new training programs today that will help us avoid manpower shortages tomorrow.

To fill vacant positions with the most suitable candidates at competitive market rates, we have developed and implemented a modern online-recruitment platform.

We also use the results of our analyses to derive new HR development measures. This improves our ability to fill future vacancies internally rather than relying solely on the open job market. Our goal is to provide our own qualified employees with opportunities for advancement and with HR development measures that will allow them to take advantage of those opportunities. We also continue to develop and expand our employee development methods and measures through the provision of online offerings and presence training.

## Turnover & new hires

### Turnover

One of the most important functions of our human resources management work involves retaining employees. In 2015, average employee turnover Group-wide was 14%. In contrast to the global situation, turnover in Europe, where we have some 327,000 employees, was comparatively low, at 8%. In other regions, and especially in the Americas, turnover in 2015 rose as much as two percentage points.

So-called planned turnover, i.e. predictable staff changes due to retirement, etc., accounted for 7% of turnover. In the area of contract logistics in particular, the share of planned turnover is high because in this sector, we enter into medium and long-term business relations, such as in warehousing operations. If the customer chooses not to renew the contract, the employees involved are usually taken on by the new contract partner. Unplanned turnover, where employees leave of their own accord, also lies at 7%.

We no longer report divisional turnover rates externally.

## Employees

Worldwide

**497,745**



Americas	Europe	Other regions	Asia Pacific
<b>78,027</b> employees	<b>326,979</b> employees	<b>18,896</b> employees	<b>73,843</b> employees
Female employees 32.0%	Female employees 38.7%	Female employees 22.3%	Female employees 28.8%
Male employees 68.0%	Male employees 61.3%	Male employees 77.7%	Male employees 71.2%
Turnover 31.1%	Turnover 8.0%	Turnover 15.4%	Turnover 19.2%
Accident rate 1.4	Accident rate 6.3	Accident rate 0.8	Accident rate 0.3

We were able to fill 81% of upper and middle-management positions with internal candidates.

At our principal company in Germany, Deutsche Post AG, a total of 3,625 employees made use of the opportunity to take unpaid leave in order to attend to family responsibilities. Of these, 1,396 were on parental leave (88% women and 12% men).

### New hires

In our hiring process, we do not discriminate based on an applicant’s nationality, ethnic origin, gender, religion, world view, age or disability. Applicants are judged on the basis of merit alone, and hiring decisions are based on the qualifications of each individual applicant. When hiring new employees, Deutsche Post DHL Group takes a zero-tolerance approach to discriminatory practices as laid down in our Code of Conduct and our Corporate Diversity & Inclusion Statement. We do not collate data on the number of new hires recruited globally.

We face two major challenges in the area of HR development. In industrialized countries, particularly in Germany, we have a steadily aging workforce. In highly populated developing and emerging market countries, we are sometimes faced with the challenge of lower levels of education. At our principal company in Germany, for example, the average age of employees is 44.6 for men and 46.9 for women.

### Age structure of workforce in Germany in 2015<sup>1</sup>



<sup>1</sup> Deutsche Post AG

### HR development

Demographic change in industrialized nations and differing levels of education in developing and emerging market countries are two of the greatest challenges we face in HR development.

The core of our work lies in discovering and developing the potential of our approximately 500,000 employees. By offering development opportunities and motivational measures tailored to our employees’ needs, we ensure our company’s long-term success.

## Turning employees into experts

We want to deliver first-class service and be our customers' Provider of Choice. We also want to be the Employer of Choice for our employees. But we can only achieve both these goals by making our employees the best in the business

and by giving them the opportunity to exploit their potential to the full. This is why we have introduced our Group-wide Certified initiative, which will turn all our employees into certified experts and specialists in their respective divisions. This broad-based, modular program gives employees an insight into the business model, strategy and culture of their own division and enables employees to acquire specific knowledge about the Group and the role they play within it.

# 80%

of employees will be certified experts by 2020

Our experience has shown that our employees are far more motivated when addressed by an in-house expert. This is why the Certified modules are generally conducted by company managers and employees who have been trained as facilitators. Throughout the Group, some 2,500 managers and employees have completed the facilitator training needed to be able to conduct Certified program modules.

## Further education and training

We also offer a comprehensive catalog of further education and training opportunities. These include skills and talent programs, train the trainer courses, expert seminars and language lessons. Many of these courses are available as online seminars, while some involve presence events or video conferencing. Regional programs have also been developed especially for employees in local-level business units.

## Personal development

An additional element of our HR development system involves the personal development conversations that take place regularly between employees and their managers. These are used to draw up development plans containing the agreed HR development measures and training requirements. The development plans are then entered into the IT-based talent and performance management system where they are stored and managed. Employees are also offered targeted training measures which are available via our eLearning platform.

## Leadership development

One of our most important leadership principles for our managers is commitment to their own continual personal and professional development, and to the continued development of their employees. This includes both technical skills development and personal growth. It also involves developing an awareness for the principles of our Code of Conduct so that managers can lead by example and better communicate the requirements of the Code.

To advance the Group strategy and further develop the company's leadership culture, higher level executives take part in cross-functional and cross-divisional programs focused on developing a more holistic approach to management and further developing their own personal management style. Focusing on training methods such as reflection, feedback and coaching, we have for many years used a module-based series of international, Group-wide development programs for this particular target group. Through active participation in these programs, the members of the Board of Management play a central role by sharing their own management experience.

All other managers and employees have access to development opportunities through the development programs offered by their respective business divisions and the Group-wide Certified initiative.

### Training effort

In 2015, our employees each spent an average 1.4 days in various further education and training measures. These measures are naturally available to employees who work part-time. The only requirement is that they must have an indefinite employment contract.

1.4

days spent by employees in various further education and training measures

Other than in previous reports, because this indicator is not used to measure the effectiveness of our training measures, we will no longer provide data on the costs involved in conducting apprenticeship programs and providing further education and training measures.

Because demand for online training continues to grow due to the flexible and targeted way it can be used, the broad range of training offerings covering specialist subjects and language lessons will be expanded on an ongoing basis and made available in many different language versions. In addition, all employees in Germany will have the opportunity to take part in an open seminar program which covers the categories of management skills and knowledge, and soft skills.

### Recruiting young employees

The number of applications received Group-wide continues to rise. More and more applicants are using our online jobs platform. This gives candidates information about career opportunities with our company and allows them to submit their application online.

We train our young employees according to the applicable norms, standards and guidelines in the respective country and prepare them for their future role in professional life.

While the structure of university-level education is relatively uniform around the world, there are significant differences between the vocational training systems in the different countries and regions. In many regions, apprenticeship training takes the form of on-the-job training. In Europe, training is mainly through vocational schools and colleges. Austria,

Denmark, Germany and Switzerland have special dual systems which combine on-the-job training at a company or organization with classroom learning at a state vocational school.

## Vocational occupations in Germany

Depending on their level of education and individual interests, at our company in Germany, secondary school graduates can choose from over 15 different officially recognized apprenticeships and ten integrated degree programs which combine university studies with fixed periods of work practice. In 2015, an average 4,006 employees in Germany were apprentices.

**4,006**

average number of employees in apprenticeships in 2015

In 2015, we hired 2,375 new apprentices and integrated degree program students in Germany. We also plan to offer 2,450 new apprenticeship and study positions in 2016.

Integrated degree program students can pursue Bachelor of Arts, Bachelor of Science and Bachelor of Engineering degrees. Graduates with these qualifications are in demand within our company and have the opportunity to take on management responsibility in a relatively short amount of time.

In 2014, we received some 22,500 applications for apprenticeship positions in Germany. This matches the number from the previous year. With some ten applications per apprenticeship position, we are able to fill our open spots with qualified, achievement-oriented young people. The dropout rate is low compared to other companies in the industry, at roughly 5%. In 2015, over two-thirds of all apprentices who completed programs with us were hired into full-time positions. We also offer part-time positions to those interested. This maintained the previous year's high hiring rate.

We have also collaborated with the international student organization AIESEC since 1996 to provide internships and many other networking opportunities for outstanding university students. This helps strengthen our competitive position in the war for talent.

## Trainee programs

We have established several trainee programs for university graduates. The trainee program GROW (Graduate Opportunities Worldwide) develops outstanding recent graduates with Bachelor or Master's degrees to become future specialists and managers within our company. For the duration of the 18-month program, GROW trainees are supported by a mentor who provides them with regular feedback and career planning support. In 2015, 43 participants were selected from a pool of over 3,400 applicants.

# OCCUPATIONAL SAFETY & HEALTH

Having truly motivated and empowered employees is the prerequisite to being able to deliver top-quality service and performance to our customers. Because of this, we make it a top-priority to provide our employees with a working environment that ensures their safety and, at the same time, helps maintain and improve their health and well-being. Both aspects – safety and health – are equally important if we want to become and remain Employer of Choice.

## Employees: Health Management



Our goals and action measures in the area of occupational safety and health management are clearly defined in our [Corporate Health Policy](#). In addition to this, our [Occupational Health & Safety Policy Statement](#) makes clear both our understanding of occupational safety, and standards we have established to achieve safety goals. Road safety is also important for a transport and logistics company like ourselves. That is why we have laid out seven safety rules in our [Road Safety Code](#).

Occupational health and safety at Deutsche Post DHL Group is integrated into the Group's quality management system and, in Germany, complies with the ISO 9001 standard. Group-wide, we apply OHSAS 18001, the internationally recognized standard for occupational health and safety.

## Managing occupational safety & health

Each Group division has its own organizational and management structure dedicated to occupational safety and health. Cross-functional topics are discussed by the Operations Board, a committee made up of division executives under the leadership of the CEO, which among other things is also responsible for managing and developing occupational safety KPIs. In the reporting year the Operations Board met five times to discuss and approve the following measures in the area of occupational safety:

- Development and implementation of the OHS Policy Statement within the Group

- Alignment of methodology for accident rate calculation to international standards
- Implementation of OHSAS 18001
- Improvement of coverage rates for recording key performance data
- Formulation of effective targets for reducing the work-related accident rate

These measures will now be implemented by the responsible parties in each division, with support from our occupational safety experts.

The Group-wide Occupational Health & Safety Committee facilitates dialogue and collaboration between occupational safety experts in the different divisions. It defines cross-divisional regulations and standards, identifies accident black spots, develops appropriate prevention measures, and lays the groundwork for decisions made by the Operations Board.

Health Management is led by the Chief Medical Officer (CMO). The CMO maintains direct contact to important external institutions and organizations, analyzes where action measures are required and provides consulting and/or decision-making support as needed to help the Group prepare for possible health threats and the associated economic challenges. In addition, the CMO advises executives on the implementation of health measures, and heads Corporate Health Services in Germany. As part of the Central Health Working Group – an internal committee which plays a key role in our system for promoting employee health – the CMO also presents an annual health report and regularly reports to the HR Board.

Outside of Germany, the CMO supports in the development and implementation of targeted local health promotion activities. To help in both design and execution, we use data made available through the local insurance providers that already work with us as part of our global insurance program. We also make use of the country profiles published by the World Health Organization (WHO). This allows us to develop and offer health measures tailored to regional needs.

## Sickness rate & accident statistics

The main performance indicator in the area of occupational health and safety is the accident rate (LTIFR), which we aligned with international reporting standards in 2015 and are now reporting Group-wide for the first time.

### Sickness rates

For the reporting year, the sickness rate among employees Group-wide remained nearly unchanged at approximately 5%. Workplace accidents accounted for 0.3% of the total sickness rate. In Germany the sickness rate is

# 5.1%

sickness rate

mainly a result of the aging workforce and the associated overall increase in chronic illness – a trend common to all industrialized countries.

## Accident data as main performance indicator

# 4.0

Group-wide accident rate

# 15.6

working days lost per accident

As announced, we intensified our efforts during the reporting year to enhance the transparency of accident data. For the first time, we are now able to publish accident statistics for the Group as a whole. Over the course of the reporting year, data collection methods and reporting formats were harmonized across the Group and aligned with international standards. Accident data are now centrally collected and are discussed regularly within the Operations Board. Temporary workers are covered in the [workplace accident statistics for 2015](#) (coverage rate: 65%); subcontractors are not.

As a result of our efforts to create greater transparency, we have aligned our external reporting to reflect the new calculation method. This means that we no longer report accident rates for our principal company Deutsche Post AG in Germany (coverage rate: 34%). Thanks to the central framework for collecting and reporting global data, our coverage rate is nearly 100%. We report the following indicators:

- Accident rate (workplace accidents per 200,000 hours worked)
- Number of working days lost due to accidents
- Number of fatalities due to workplace accidents

The Group-wide accident rate in the reporting year was 4.0, with 15.6 working days lost per accident.

## Fatal accidents

This report marks the first time we are reporting the number of fatal workplace accidents Group-wide. Until now, our data has only allowed us to report this information for Deutsche Post AG, our principal company in Germany.

In the reporting year, six employees died in workplace accidents or due to injuries suffered as a result of a workplace accident.

One workplace fatality is one too many! The safety and health of our employees is our number one priority. We analyze workplace accidents and their causes and use this information to further optimize our prevention measures. To help us do this, in several countries we deploy camera systems in accordance with data privacy regulations. The most

common cause of fatal accidents is human error – this includes negligence while maneuvering and shunting vehicles, careless driving, and the disregard for safety rules.

We are committed to intensifying our efforts in the area of prevention and shall continue to improve on the already high safety standards at our operational sites and facilities. Additional training measures are also being expanded as are our efforts in the area of employee screening and instruction.

Complete accident statistics can be found in the [Annex](#) of this report.

## Accident prevention & occupational safety

All of our activities in the area of occupational health and safety aim to heighten employee awareness on the subject of safety and possible workplace hazards – not only for their own protection, but also for the safety of others. This includes hazards outside our area of responsibility. To safeguard the health and safety of our employees, we make sure the equipment they use is safe. We do this by conducting work safety and occupational health inspections of technical equipment and vehicles considered for purchase.

We systematically assess the working conditions of our employees for risks and potential dangers. These evaluations rate the working environments of delivery personnel, drivers, machine operators and warehouse personnel, for example, as potentially dangerous. Workplace inspections and audits are carried out on a regular basis. We also conduct safety training measures to raise awareness of safety issues among our employees. Compliance with statutory and operational regulations is overseen by management systems.

In the reporting year, a pilot project was conducted at our DHL site in Eindhoven, Netherlands, to raise awareness among employees for the safety risks associated with materials handling. The risk of injury was significantly reduced as a result.

And in 2015, we certified all of our drivers in Greece in road safety according to ISO 39001, with the goal of reducing the number of road traffic accidents.

## Dangerous goods transport

As a leading logistics company, we also specialize in the safe and proper transport and warehousing of potentially dangerous goods and substances in accordance with current regulations and our general terms and conditions. When transporting dangerous goods, employee safety and environmental protection are our top priorities.

Employees involved in the handling and transport of dangerous goods undergo regular training in accordance with international and local regulations and are provided with all necessary information. In addition, we offer our drivers special driver training, often conducted “in-house” by our own trainers.

In Europe, the Middle East and Africa, our dangerous goods trainings meet not only the ADR standard, which applies to the European Union and several of its bordering countries, but also conform to the more comprehensive SQAS standards (Safety & Quality Assessment System). We continually update and revise the dangerous goods transport regulations that apply to our customers to ensure alignment with the most recent legal requirements, and publish them by product and transport carrier categories.

## Training for managers

Our managers bear great responsibility for the well-being of our employees. Inspecting the working conditions of staff, correctly assessing risk levels and initiating suitable measures to minimize risk are among their most important managerial tasks. For this they receive support in the form of guidelines, recommendations and consulting from our occupational safety experts. We also work to continually fine-tune and improve the safety training we offer to managers, so that we continue to increase their awareness for the importance of occupational safety and prepare them to carry out their occupational safety responsibilities.

## International occupational safety week

The effectiveness of occupational safety measures depends largely on the behavior of employees themselves. To raise employee awareness for occupational safety issues, as well as their own safety in the workplace, we conducted a week-long safety campaign from April 27 – 30, 2015 in the days surrounding the International Labour Organization's World Day for Safety and Health at Work. Across the Group numerous individual activities and trainings focused on road and depot, driver trainings, bicycle safety, practical tips for securing cargo, as well as safety checks for equipment such as roll containers and delivery bicycles.

## Health management

We provide employees with a healthy work environment and offer a wide range of activities designed to encourage healthy lifestyles and help avoid risk factors. We reach a large portion of our employees worldwide through international health-promotion campaigns and best-practice initiatives. In addition we support our managers and executives with opportunities such as the web-based training program Leadership and Mental Health, which addresses the relationship between leadership, psychological health and stress management.

Another focus of our health management is prevention programs in the area of chronic illness. These are supplemented by initiatives for preventing, detecting and fighting infectious diseases such as influenza, Ebola or MERS. We evaluate health risks on a country by country basis so that we can provide tailored medical support. We also provide educational support for HIV and AIDS prevention initiatives.

In countries where there are no state insurance schemes available, we offer prevention programs through local health providers. These programs are designed to meet local needs

and are adapted to local practices. Their primary aim is the prevention and mitigation of illnesses.

Deutsche Post DHL Group was recognized several times in 2015 for its exemplary health management.

## Occupational diseases

Our employees work hard in challenging roles. Our health management, with its manifold activities and preventive measures, aims to prevent occupational diseases and work-related illnesses. We also help our employees prevent chronic ailments. In Germany, the statutory accident insurance recognized 20 cases of occupational diseases. This is due in large part to amendments made to the German Ordinance on Occupational Diseases in the reporting year, which now includes skin disease caused by natural ultraviolet irradiation in its list of officially recognized occupational diseases. Prevention measures and activities addressing this health issue have been in place within the Group for several years already.

In Germany, employees have the option of consulting an employee support service counselor to help deal with conflicts in the workplace, traumatic events, health problems or other personal problems. The counselors establish contact with medical specialists and external counseling centers and rehabilitation facilities, provide consulting to employees in crisis situations, and are qualified to serve as emergency first responders and addiction counselors.

When implementing health and workplace improvement measures we also take advantage of the experience and knowledge of other areas within the Group. As an example we developed an E-Trolley in 2015 designed to make mail delivery by foot both more effective and less strenuous. Its electric-powered engine allows larger mail volumes to be transported safely. Development of the E-Trolley drew on our own knowledge and experience from the field of e-mobility.

## Assessing the risk of lifestyle diseases

Deutsche Post DHL Group covers health insurance and medical treatment costs for its employees in several countries. Knowledge gained from the pilot project “Risk assessment of lifestyle diseases” – conducted in Mexico,

China and the United Arab Emirates and completed in 2014 – was integrated into our prevention work, thus achieving one of our targets for 2015. Health risks continue to be mainly in the area of non-communicable or chronic disease. Risk assessments were conducted in 16 additional countries over the course of the reporting year. Insights gained from the results of these assessments are integrated into the Group’s Global Health & Well-Being Program and are used to design tailored measures for fighting disease.

# 16

risk assessments were conducted in 16 countries

To continue to improve our understanding of lifestyle diseases and their risks, we are involved in a number of health networks, such as Enterprise for Health, the Business Leadership Forum to Target Depression in the Workplace, the German Society of Occupational and Environmental Medicine (DGAUM e.V.), and serve on the supervisory boards of private and statutory health insurance companies. We also contribute to renowned prevention networks such as the Komen Breast Cancer Foundation or the Deutsche Herzstiftung (German Heart Foundation).



## INTERVIEW

**MELANIE KREIS**

Board Member for Human Resources

»Certified is a truly unique initiative that has the power to change the culture of our company in a fundamental way. With this broad-based, high-quality program, we give participants – meaning employees worldwide – specialist knowledge and show them the importance of the role they play in the company as a whole.«

## INTERVIEW WITH MELANIE KREIS

Melanie Kreis is the Board Member for Human Resources at Deutsche Post DHL Group. In an interview, she outlines the priorities and main focus areas in HR management, describes the hopes she has for the Group-wide Certified initiative, and sketches out opportunities for young people interested in pursuing a career in our company.

### **2015 was your first full year as Member of the Board for HR. How did you find it? Which events would you say were most important?**

2015 was a very intensive and eventful year – a year that was marked by great progress in the area of HR. We were able to make a significant contribution to the success of the Group, not least by settling the wage dispute, which was a top priority issue for us in Germany in first half of 2015. We secured an agreement for some 130,000 employees, giving us a more competitive pay structure while facilitating long-term growth. To put it briefly, we dealt with many and varied issues, and are now seeing the fruits of our work. I am extremely proud of the global HR team, whose dedication and expertise help shape the work we do around the world.

### **What will be the focus of your HR activities in 2016?**

At the start of the year, the HR Board, the highest HR decision-making authority in the Group, discussed the common priorities for the next twelve months. 2016 did not bring any radical changes in the underlying business of the divisions we support, so there was no need to fundamentally adjust our HR priorities. We will, however, be making some changes in one or two areas. Greater focus will be placed on the issue of data quality in 2016, for example, as we are increasingly faced with the need for reliable HR data on a global and

cross-divisional basis to enable enhanced HR analytics. We will also be working to intensify employee engagement. Our Certified initiative, which we will use to turn our global workforce into certified experts and specialists, plays a key role and 2016 marks a decisive phase in its implementation.

**You mentioned Certified, an initiative designed to make your employees the best in the industry. How do you plan to do that?**

Certified is a truly unique initiative that has the power to change the culture of our company in a fundamental way. With this broad-based, high-quality program, we give participants – meaning employees worldwide – specialist knowledge and show them the importance of the role they play in the company as a whole. This makes them more motivated, helps them identify better with the company and strengthens the business at the same time. What also makes the Certified initiative special is that although its various programs are tailored to the specific needs and business operations of the divisions, they are all based on an underlying structure, with linking elements and modules. We aim to certify 80% of our employees by 2020.

**How does divisional HR management differ to centralized HR? What are the priorities there?**

Our divisional HR teams concentrate on providing tailored solutions to support operative business. The issues faced can differ from division to division and from region to region. This is especially the case regarding short and long-term workforce planning, and when looking for ways to motivate and develop our employees at local level. These are extremely challenging tasks. The centralized HR teams deal with issues of strategic, Group-wide importance. This includes areas such as pay structure, cross-divisional talent management, personnel activities concerning our middle and upper management, health management and diversity management. In all of this, it is important that divisional and centralized HR departments work hand-in-hand – something we did well in 2015, not least because all divisions and departments are represented on the HR Board.

**The Group aims to improve its attractiveness and reputation as an employer through responsible business management. What issues do you see as most important, both for employees and for job applicants?**

We see that employees and applicants alike are placing increasing importance on corporate responsibility. We are well able to meet their expectations and receive positive feedback regarding our activities as a responsibly managed business. This is because we focus on highly topical issues such as disaster management, education and environmental protection. Our HR-related activities are also well received. This includes our UPstairs scholarship program in which we help employee children to pursue higher levels of education. And with our current Refugee Aid Initiative, we are helping to manage the refugee crisis in Germany. This undoubtedly makes us attractive to potential applicants and increases employee engagement. We are extremely pleased at the positive response, which is also reflected in the results of our Employee Opinion Survey. We had good feedback once again in 2015: in the area of corporate responsibility, we achieved an approval rating of 75%.

**What would you say to young people who are considering a career in logistics with Deutsche Post DHL Group?**

They can expect to find a wide range of positions in which they can develop their own potential and also contribute to society. As the leading logistics services provider and as one of the biggest employers in the world, Deutsche Post DHL Group offers many exciting development opportunities. We have employees in all kinds of positions: engineers, controllers, warehouse specialists, IT specialists, couriers and pilots. They can pursue very different careers within the Group and that includes the possibility of going abroad to work in foreign countries. Plus, as a logistics service provider, we not only deliver goods from A to B. We also make a key contribution to economic and social growth. By enabling and organizing the global flow of trade, we play a key role in value creation. And by connecting people and businesses, we create opportunity and foster prosperity worldwide.



# fu|ture fo|cu|sed

[adjective];  
forward-thinking, visionary

# WHAT DOES FUTURE FOCUSED MEAN FOR US?

Through ongoing dialogue with our stakeholders and as part of our resilience management process, we systematically identify opportunities, trends and challenges. This enables us to develop new business areas and markets, which in turn helps us improve our corporate responsibility performance while minimizing financial, environmental and social risk.

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## INTERVIEW WITH KEN ALLEN



»We are committed to being the world leader in international express delivery, which in turn means playing a central role in facilitating and moving global trade.«

[READ INTERVIEW ON PAGE 87 →](#)

# OUR CODE OF CONDUCT ✔ PwC

The Code of Conduct has been an integral part of our corporate culture since 2006 connecting the Group across divisions and regions around the world. It is guided by the principles of the Universal Declaration of Human Rights and the UN Global Compact and takes into account widely recognized legal standards including applicable anti-corruption conventions and legislation.

The Code of Conduct, which establishes the expectations for the ethical behavior of our staff, provides the guiding principle for all of our company’s business practices. It addresses all aspects of our daily work, from quality, customer relationships and standards on co-operation and integrity in our operating practices, to corporate responsibility and the environment.

## Deutsche Post DHL Group policies

PRINCIPLES <sup>1</sup>	KEY GROUP POLICIES	
<ul style="list-style-type: none"> <li>■ Universal Declaration of Human Rights</li> <li>■ UN Global Compact</li> </ul> 	<p><b>Policies</b></p> <ul style="list-style-type: none"> <li>■ Code of Conduct</li> <li>■ Supplier Code of Conduct<sup>2</sup></li> <li>■ Declaration of Conformity with the German Corporate Governance Code</li> <li>■ Environmental and Energy Policy</li> <li>■ Paper Policy</li> <li>■ Corporate Health Policy</li> <li>■ Occupational Health &amp; Safety Policy</li> <li>■ Road Safety Code</li> <li>■ Stakeholder Engagement Guideline</li> <li>■ Data Privacy Policy</li> </ul>	<p><b>Internal Policies</b></p> <ul style="list-style-type: none"> <li>■ Anti-corruption Policy</li> <li>■ Business Ethics Policy</li> <li>■ Competition Compliance Policy</li> <li>■ Privacy Policy for International Data Transfers</li> <li>■ Corporate Procurement Policy</li> <li>■ Investment Policy</li> <li>■ Guideline of the use of biofuel</li> </ul>

<sup>1</sup> The International Labour Organization (ILO) Declaration on the Fundamental Principles and Rights at Work from 1998, as well as the OECD Guidelines for Multinational Enterprises are accounted for in our Code of Conduct  
<sup>2</sup> The term suppliers also refers to our transportation subcontractors.

As such, it is the foundation for all other Group policies as well as regional guidelines and rules of conduct. Adherence to the Code of Conduct is monitored by our Compliance organization. Violations can be reported through multiple channels, including a dedicated Compliance Hotline. The Code is available in 21 different languages.

We regularly review our Code of Conduct and receive advice from the Group’s Integrity Board to ensure that our Code of Conduct is in line with changing political and social requirements. The Integrity Board met once during the reporting year.

We provide online training to educate employees about the Code of Conduct; the training is currently available in 21 different languages.

# SUPPLIER MANAGEMENT

## Management approach & targets

The Supplier Code of Conduct forms the basis for supplier relations and is an integral component of our contracts with suppliers. The Code places our suppliers under obligation to observe the strategic goals and values of Deutsche Post DHL Group and to ensure that their own business partners and subcontractors adhere to our standards as well.

We select our suppliers and transport service providers by way of a multi-step evaluation system. To improve both the quality and the objectivity of this process, we will additionally look at external supplier evaluations and define appropriate thresholds.

In existing contractual relations with suppliers, we place importance on further development and training with the aim of heightening their awareness to our standards, thus enabling us to maintain a lasting partnership with them. The most important informational material is provided in the supplier’s respective language.

We also instruct and inform our employees, taking every opportunity to sensitize them to the risks that can arise in the procurement process and to the need to observe and adhere to our Corporate Procurement Policy. We regularly revise our training offerings and review our procurement policy as part of an ongoing process to ensure it remains up to date and meets current needs.

## KPIs & targets

A rigorous and sustainable supplier management system plays a vital role in the business success of Deutsche Post DHL Group. As the new materiality analysis we conducted in 2015 shows, this is an opinion our stakeholders share. KPIs have been defined for the key areas shown below. We do not disclose internal management parameters as this is sensitive business information.

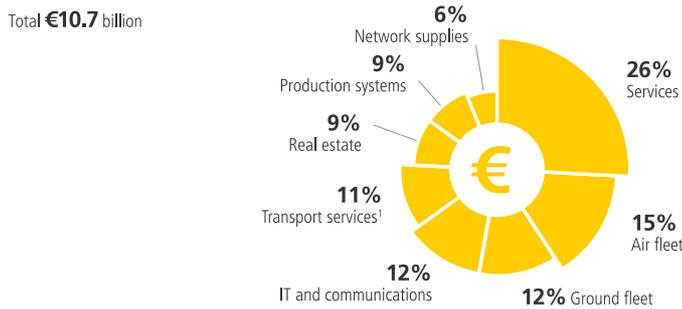
### KPIs and targets

Focus area	Action	Target
<u>Supplier Code of Conduct</u>	Check for completeness and currentness	In 2016, align with the Group Code of Conduct and translate into various languages
Supplier management	Improve supplier evaluation process	By 2020, develop supplier evaluation criteria and define minimum thresholds
<u>Corporate Procurement Policy</u>	Integrate environmental and social standards into the supplier selection process	By 2020, roll out these standards as binding selection criteria and communicate the new policy version within the Group

## Centralized procurement & supplier management ✓ PwC

At the operational level, the Corporate Procurement organization supports the divisions in purchasing high quality goods and services, reducing spending and making cost-effective investments in a way that is both in line with our Group policies and mindful of environmental aspects.

### Deutsche Post DHL Group procurement expenses in 2015<sup>1</sup> ✓ PwC



<sup>1</sup> De-centrally procured transport services account for approximately 90% of our purchased transport volumes.

Supplier management is performed centrally by the Corporate Procurement organization and starts right at the beginning of the value creation chain. This ensures that the Supplier Code of Conduct applies to all our suppliers and that our standards are applied and adhered to by all involved in every stage of our own supply chain. We see our suppliers as more than just transport service providers or external agents who deliver the goods we need. They are also a valuable source of ideas that can be used to introduce improvements at Deutsche Post DHL Group.

We support our suppliers by providing them with our knowledge and expertise, and we offer them an interactive training module on our Supplier Code of Conduct and environmental and social standards. We also give our road freight subcontractors access to our procurement contacts to assist them, for example, in the procurement of new, more efficient vehicles.

### New procurement platform

In the reporting year, we focused on making our procurement processes more efficient and transparent. The various procurement processes were standardized and integrated into the existing purchasing platform. Internal processes were significantly improved as a result.

Supplier management is now linked to this new, centralized procurement platform. This results in clear improvements regarding transparency and enables strategic management of procurement responsibilities right across the Group. It also helps us perform monitoring and evaluation in a standardized way.

Supplier evaluations include a third-party due diligence screening for suppliers who meet certain of the risk criteria contained in our Anti-corruption Policy. By taking this approach, we can ensure that they meet the Group's supplier selection requirements and support both our environmental goals and our social standards.

In the section on Shared Value, we report in detail on the environmental aspects of various procurement activities, including the global procurement of electricity from renewable energy sources.

### Employee development

The pilot phase of our Security and Compliance Awareness Workshop (SCAW) was successfully concluded in 2015. The workshop has now been integrated into our training offerings as part of a seminar on applying legal standards and guidelines.

### Supplier Code of Conduct ✓ PwC

The Supplier Code of Conduct is an integral part of our supplier management system and of the contracts we enter into with suppliers. It applies to suppliers as well as to transportation subcontractors and other services providers. The Code explicitly encourages suppliers to ensure that their own business partners and subcontractors adhere to our standards as well.

We are developing and enhancing our Supplier Code of Conduct as part of an ongoing process. In the reporting year we began revising the Supplier Code of Conduct, also aligning it with our own Code of Conduct. The revised version will be adopted in 2016.

To enable suppliers to familiarize themselves with our standards before entering into contract negotiations, we offer them access to an interactive training module via our websites. This is available not only in our standard business languages (German and English), but also in Spanish and Chinese. The Supplier Code of Conduct is available for download in 26 language versions.



»Our Supplier Code of Conduct reflects our company culture and fittingly expresses the values embodied in Deutsche Post DHL Group. This is the main reason why our suppliers and business partners should sign it.«

MICHAEL NIESSEN  
CHIEF PROCUREMENT OFFICER

## Standardized tendering process

We select our suppliers and transport service providers by way of a multi-step tendering process. In addition to our own evaluation process, we also look at independent, external supplier reviews. As a result, we work solely with suppliers with whom we have gained positive experience in evaluating our own sustainability performance and whose processes we believe to be credible and trustworthy.

We want to use our findings to further enhance the supplier evaluation process by, for example, taking account of factors specific to the countries in which our suppliers operate.

## Developing existing supplier relationships

Some of our suppliers possess competencies that are of strategic importance for our current or future business. These include innovators from the fields of green technologies and IT. We confer regularly with these partners, exchanging ideas and information about current developments, and collaborate on projects focused on driving innovation and developing new business models.

To intensify our relations with strategic suppliers, we invited some 370 international participants to a DPDHL Group Supplier Day on May 4, 2015. At the event, strategic supplier representatives met with members of our corporate divisions to conduct intensive discussions and participate in diverse presentations and workshops.

## Responding to non-compliance

Because we trust our suppliers and business partners to comply with the terms of our contractual agreements, we conduct compliance tests on a random basis. Suppliers are selected on the basis of their economic significance and the results of a risk assessment. To enable informed decisions, key Group departments such as HR and Compliance are involved in the process.

If, upon further investigation, a violation of our Supplier Code of Conduct is confirmed, the supplier in question must bindingly commit to address and remedy noncompliant behavior as quickly as realistically possible. Follow-up evaluations are conducted. If the supplier fails to meet our requirements, either in part or in full, further action is taken; in some cases, this can mean the termination of a business relationship.

## Subcontractor management

The procurement of transport services is largely performed de-centrally by our divisions. This is because subcontractor selection and the decision to award a contract are closely related to local business operations and needs. The Supplier Code of Conduct is also used as a binding component of contracts awarded in decentralized procurement.

This ensures that the transportation subcontractor's carbon emissions become integrated into our own environmental goal of achieving a 30% improvement in carbon efficiency by 2020 based on 2007 figures. This is why harmonizing emissions calculation methodologies worldwide is a key component of our environmental program – and why we want to involve our subcontractors in our decisions and activities right from the start. We work alongside our transportation subcontractors in initiatives to reduce fuel consumption and lower greenhouse emissions.

The aim is to achieve like-for-like comparability of company emissions information within the industry, as this creates the basis for informed decisions on transportation subcontractors. We are currently collaborating with our major customers, suppliers and industry peers to develop a framework for harmonizing emissions calculation methodologies worldwide. To this end, Deutsche Post DHL Group participates in the Global Logistics Emissions Council (GLEC), an independent worldwide initiative dedicated to coordinating the process of harmonizing emissions calculation methodologies. GLEC members include the major logistics companies, key account customers, representatives of industry-led initiatives, small and medium sized enterprises (SMEs) and research institutes.

## Air and ocean freight

Unlike our express business, in our air freight operations we have no Group-owned aircraft. We operate solely as an agent between customer and freight forwarder.

When selecting subcontractors, we consider environmental criteria and take three key factors into account:

1. The company's efficiency, which we monitor on a monthly basis.
2. Transparency in fleet composition.
3. The company's participation in industry-led initiatives such as the Airfreight Carbon Initiative.

To ensure we can track and verify a subcontractor's environmental performance, the outcomes of the above checks are entered into the Carrier Scorecard, which is then used in the overall evaluation.

Our entire ocean freight operations are carried out by transportation subcontractors. We have no Group-owned container ships. One of our most important tools in selecting a shipping company is the Green Carrier Scorecard.

Companies are evaluated based on the following criteria:

1. Cooperation: The provision of carbon efficiency and environmental performance data via the Clean Cargo Working Group (CCWG).
2. Carbon efficiency: The company's efficiency by trade lane against the industry average.
3. Transparency: Verification of data by an independent third-party.

4. Engagement: The company's participation in industry-led initiatives and notable involvement in environmental projects and initiatives.

Each year shipping companies are issued a GoGreen Carrier Certificate that summarizes the results of the evaluation.

## Road freight

In our road freight operations, subcontractor management poses a far greater challenge than with air and ocean freight. This is largely due to the fact that the supplier market is significantly more fragmented. In 2013, the road freight market in Europe amassed sales of some €65 billion. With a market share of 2.6%, Deutsche Post DHL Group is the second-largest provider in the road freight sector.

To improve subcontractors' greenhouse gas emission efficiency, we have joined a number of industry-led initiatives whose work focuses on determining the environmental performance of road freight companies and developing a standardized method for calculating emissions of road freight operations.

We are also able to influence the efficiency of our road transport subcontractors by supporting them in their efforts to improve their efficiency and, among other things, by giving them access to our procurement contacts to assist them in the purchase of new, more efficient vehicles.

## COMPLIANCE PwC

### Management approach & targets PwC

As a globally active logistics provider, we operate in countries with very different political systems, laws, regulations and cultural values. In accordance with our own understanding of compliance and responsible business practice, we ensure that our employees behave in a way that adheres to national laws and regulations, that they identify with the corporate values of Deutsche Post DHL Group and apply our ethical standards in a binding way no matter where they are in the world. Our Supplier Code of Conduct requires that our business partners adhere to these same high standards.

We place particular importance on combating corruption. As a member of the World Economic Forum's Partnering Against Corruption Initiative (PACI), we have agreed to translate the six PACI principles into concrete and measurable actions.

Through targeted communication and regular training, we help our employees and business partners to both understand and adhere to our compliance policy and rules. We also require them to report any and all violations of applicable laws, policies and regulations.

Compliance is an integral part of our corporate culture and is lived out at all levels of the Group. Our managers serve as role models. We expect them to lead by example in both behavior and values, foster both the corporate culture and the principles of Deutsche Post DHL Group in everything they do, and communicate these to our business partners.

### KPIs and targets ✓ PwC

Compliance is a prerequisite for business success worldwide. Our materiality analysis, which we revised in 2015, shows that this perception is shared by our various stakeholder groups. As a materiality issue, compliance is managed according to predefined indicators. As this information involves sensitive data, we do not disclose this data externally.



»A company that adopts and promotes high ethical standards in its business activities and makes compliance an integral part of its corporate culture has a clear competitive advantage. I see compliance as an investment in the future.«

DR. GORDON WEBER  
CHIEF COMPLIANCE OFFICER

### Compliance organization & reporting ✓ PwC

The Chief Compliance Officer (CCO) is responsible for the compliance management system at Deutsche Post DHL Group and reports directly to the Board Member for Finance. The CCO is assisted by the Global Compliance Office, which establishes Group-wide standards for compliance management, supports the corresponding activities of the divisions, and serves as the Compliance Office for Corporate Center and Global Business Services. Each of the four operating divisions has a Compliance Officer who has recourse to additional local resources and regularly presents a report to the divisional Board of Management member. The officers' activities and the content of their reports are incorporated into the Chief Compliance Officer's reports to the Board of Management as a whole and to the Finance and Audit Committee of the Supervisory Board.

### Compliance management system ✓ PwC

One of the most important functions of our compliance management system is the identification of potential compliance risks. Together with analysis of the company's current risk profile, this is of fundamental importance in further aligning and developing the system. Risk analyses are conducted regularly in all divisions and regions. The findings of

these analyses are used to establish suitable measures to prevent compliance-related violations. Key measures include the evaluation of business partners with regard to compliance, coordination of the system for reporting potential violations of law or policy, including the respective sanctions if deemed necessary, and the development and implementation of compliance training and communication measures.

**Elements of the compliance management system** ✓ PwC



The subject of compliance is a fundamental part of the audits which Corporate Audit performs in all business divisions and departments. Corporate Audit also inspects the management processes within the compliance organization on a routine basis. The results of these inspections are documented and reported regularly to the Board of Management together with recommendations for improvement. In this reporting year, some 245 regular audits which were either directly or indirectly related to compliance were conducted across the Group. A number of ad hoc audits were also performed for specific reasons. The audits supplement the Group-wide monitoring system and support ongoing compliance activities as well as the identification of compliance risks. They provide the basis for ongoing further enhancement of our Group-wide compliance program.

**245**  
regular audits

**Transparency in pursuing company interests** ✓ PwC

When it comes to political lobbying, transparency is a top priority for Deutsche Post DHL Group. Our Group-wide Anti-Corruption and Business Ethics Policy lays down the rules regarding donations and gifts made to political parties and governmental institutions, stating that:

- » Employees are not authorized to make contributions to political parties and their affiliated organizations, to governmental authorities or to any other public institution on behalf of the Group. Such contributions include financial donations and other gifts of monetary value. «

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## TAKEN FROM SECTION 9 OF DEUTSCHE POST DHL GROUP'S ANTI-CORRUPTION AND BUSINESS ETHICS POLICY

This policy applies across the entire Group and thus in all regions and countries in which Deutsche Post DHL Group operates. We maintain correct and lawful relations with all governmental and supervisory authorities, operating at all times in a straightforward, transparent manner and in accordance with applicable laws and regulations. Through the EU Transparency Register, we voluntarily report on the type, scope and financing of our lobbying activities within the EU.

The policy does not, however, prevent our employees from acting within applicable law, such as that in the US, to organize and manage so-called Political Actions Committees.

### Violations: Reporting and confidentiality

Employees can report potential compliance violations through a special 24-hour web application, or by calling our Compliance Hotline, which is available in 150 countries and in 30 different languages. Internal communication channels are used to ensure that employees know about the reporting systems available to them as well as whom to contact within the local compliance organization. Compliance violations can be reported anonymously (where legally permitted) or by providing contact information. Reported compliance violations are handled professionally and confidentially. The Chief Compliance Officer reports relevant violations to the Board of Management and the Supervisory Board's Finance and Audit Committee.

## DATA PROTECTION ✓ PwC

### Management approach & targets ✓ PwC

High data protection standards are integral to the Deutsche Post DHL Group brand and play an important business role. This is reflected in our updated materiality analysis (revised in this reporting year) which shows that our stakeholders consider data protection to be of key importance to our business success.

In our growth market eCommerce as well as in international logistics, customers place great value on compliance with data protection rules and regulations.

Our standards are laid down in our Data Privacy Policy, which applies throughout the Group. Regular implementation checks, ongoing revision of our standards, and data privacy and protection training for our managers and employees ensure that the provisions the policy contains meet prevailing legal requirements.

As the leading postal and logistics services provider with 12,000 locations in more than 220 countries and territories, we must often observe what can be very different data protection rules and regulations. As there is no universally binding data protection law in place, with support from legal counsel, we conduct regular checks in all the countries in which we operate to ensure that both our own Data Privacy Policy and prevailing national rules and regulations are complied with. In places where no data protection regulations exist at the present time, we apply our own Group-wide standards.

### KPIs & targets ✓ PwC

Our data protection management system is designed to further sensitize our managers and employees to the importance of data protection and to ensure our Data Privacy Policy is implemented at all times across the Group.

In 2016 we plan to review the possibility of including a module on data protection in the Group's Certified initiative. Given the sensitive nature of our data protection indicators, we do not disclose this data externally.

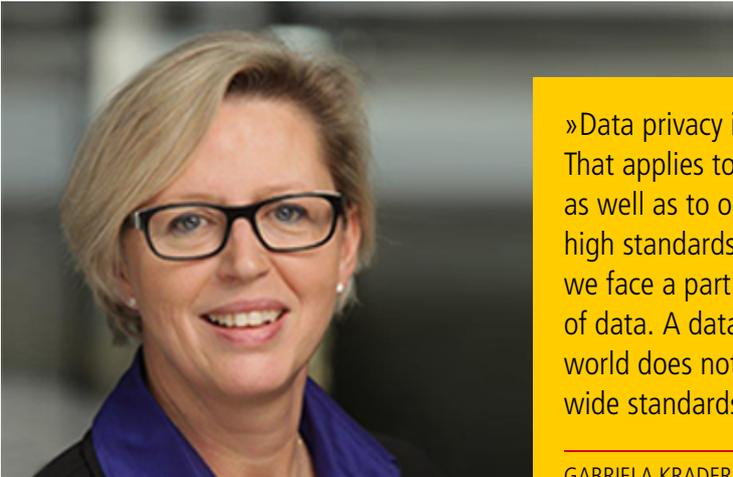
### Data protection management system ✓ PwC

Combined with an effective data protection management system, high data protection standards are an effective tool in securing customer loyalty and winning new business.

Our data protection management system is designed to further sensitize our managers and employees to the importance of data protection and to ensure our Data Privacy Policy is implemented at all times across the Group.

To achieve greater transparency and improve comparability, in this reporting year we have made standardized data protection monitoring a central component of our data protection management system and have integrated it into all processes in all company divisions. We have also introduced a reporting process for data privacy violations.

To sensitize our managers and employees to the importance of data protection, our data protection management system includes web-based training on a variety of data protection issues. These include employee data privacy and customer data privacy. Data Privacy Policy training is compulsory for all middle and upper management.



»Data privacy is a top priority at Deutsche Post DHL Group. That applies to our digital offers, our e-commerce solutions as well as to our traditional mail services. We also pursue high standards internationally. As a multinational company, we face a particular challenge in the international transfer of data. A data protection law that is the same around the world does not exist. This is why we apply our own Group-wide standards.«

GABRIELA KRADER  
CORPORATE DATA PROTECTION OFFICER

## Data Privacy Policy

Our corporate Data Privacy Policy lays out uniform, appropriate and globally applicable data privacy and protection standards for safeguarding personal data. We also have other data protection rules in place which, based on our corporate Data Privacy Policy, focus on specific areas such as the processing of personal data, direct marketing and eCommerce activities.

The implementation of our Data Privacy Policy is regularly evaluated by the supervisory authority – the German Federal Commissioner for Data Protection and Freedom of Information. The 2015 audit yielded no findings.

## SECURITY MANAGEMENT ✓ PwC

For a globally operating logistics company like Deutsche Post DHL Group, success hinges on a stable and secure business environment as well as on security within its various modes of transport, be it by air, road or sea. Globally integrated supply chains are exposed to any number of risks and are often the target of criminal activity, including organized crime, terrorism, piracy and internet crime.

In our efforts to provide our employees, business partners and customers with a high degree of security and safety, Deutsche Post DHL Group operates a comprehensive risk-based security management system. Continuous monitoring and further development of our security measures make for an efficient and effective process which enables us to make our global supply chains more resilient and increase the level of trust that customers and employees place in our products and services. In this way, we improve our performance as provider of choice, thus contributing significantly to the corporate strategy and the business success of Deutsche Post DHL Group.



»With our comprehensive and robust Security Risk Management System Deutsche Post DHL Group is well set-up to counter global security challenges. If customers think of security in logistics, they should think of DPDHL Group!«

FRANK HELMUT EWALD  
HEAD OF CORPORATE SECURITY

Taking account of the security requirements of all our divisions and business models, we analyze the potential security risks for the Group worldwide. In doing so, we adhere to international standards. As part of an ongoing process, we identify security risks, analyze them with regard to their potential impact and, after careful evaluation, take appropriate steps to mitigate them. Our security management system is embedded in the Group's comprehensive management approach and is compliant with legal and regulatory provisions.

### Sensitizing employees to security risks ✓ PwC

With special training programs, we ensure that our employees are aware of the security risks involved in the area in which they work and are able to respond in an appropriate way. For example, we instruct them on the applicable standards for their place of work and on the Group's compliance policy. Our security policies expressly include the protection of personal rights and adherence to legal requirements. This promotes a security culture which is both accepted throughout the Group and complies with prevailing law.

### Global IT platform ✓ PwC

Integral to our security management system is the continuous monitoring and evaluation of the global security situation and the preparation of forecasts and analyses to facilitate responsible business activities in regions considered a security risk. With the help of our security experts, we have developed a global IT security platform – Resilience 360 – which allows strategic analysis of potential security risks in our global supply chains. Resilience 360 also provides visibility regarding our global supply chain routes and links up the sites involved, allowing information on security-related incidents from both internal and external sources to be processed in near real time. Where security-related disruptions occur, the tool serves as a communication platform in the event of a security issue, allowing us to contact and share information with the respective parties along the entire supply chain. Customers can also use Resilience 360 to monitor their own supply chains and make them more secure, giving them an important leg up on the competition.

## Broad-based exchange

Deutsche Post DHL Group also maintains close and collaborative dialogue with security authorities and represents the Group’s interests in national and international bodies and institutions that deal with security issues. We can use our vast experience to help develop security policy solutions. By implementing Group-wide crime prevention measures and investigating security-related incidents, we safeguard our employees, the assets entrusted to us by our customers, as well as the Group’s tangible and intangible assets.

## OPPORTUNITY & RISK ASSESSMENT ✔ PwC

As an internationally operating logistics company, our business is subject to a wide range of influences and impacts. This presents both the opportunity to develop new business areas and markets. It can also give rise to risks regarding our reputation, our compliance standards and our financial stability.

Our Group-wide resilience management process is designed to systematically identify potential opportunities and risks at an early stage. The process not only provides important insights into potential benefits for the Group but enables us to take necessary measures to protect our business, our employees and our customers from potentially negative impacts. This strengthens our competitive position in the market. A logistics company that is able to maintain operations, enabling uninterrupted supply and sale of goods and services, even in critical situations, is the partner of choice for businesses in industry and trade. Innovative solutions for increased supply chain security represent huge market potential for our company.

### Opportunity and risk management process ✔ PwC



### Strategic issue management ✔ PwC

Our strategic issues management process involves the use of an intelligent monitoring system which tracks public debate on an array of global issues relating to topics such as world trade, sustainability and future technologies, as well as stakeholder perceptions of topics with high opportunity/risk potential. This includes real-time media monitoring, entailing continuous observation and analysis of more than 20,000 online media and social

media sources. The insights gained in this process flow into our business and communications strategies, and are also used in planning and managing our corporate responsibility activities.

### Health risks ✓ PwC

To reduce the number of health-related insurance claims, we systematically analyze our insurance risks according to country and division. When identifying the areas involved, we work together with local insurance providers as part of a global insurance program or make use of the country profiles published by the World Health Organization (WHO).

### Financial opportunities & risks ✓ PwC

Two important goals in our resilience management process are to identify and embrace opportunities in a timely way and to mitigate risks. The anticipated impacts of potential incidents, developments and trends are considered in all our business planning. Opportunities and risks are defined as potential deviations from projected earnings. Our Group-wide opportunity and risk management system helps us achieve these goals. In the first step of the process, CR-related opportunities and risks from areas such as litigation and personnel are recorded and measured.

Each quarter, managers estimate the impact of future scenarios, evaluate the opportunities and risks for their divisions and departments, and present both planned measures and those already implemented. Queries are made and approvals are given on a hierarchical basis to ensure that different managerial levels are involved in the process. Opportunities and risks can also be reported at any time on an ad hoc basis.

The early identification process links the Group's opportunity and risk management with uniform reporting standards. We continuously improve the IT application used for this purpose. The opportunity and risk report for the reporting year is part of the Group's [Annual Report 2015](#).

**INTERVIEW****KEN ALLEN**

Board Member for Express

»We are committed to being the world leader in international express delivery, which in turn means playing a central role in facilitating and moving global trade.«

## INTERVIEW WITH KEN ALLEN

Ken Allen is a Member of the Board of Management and head of the Express division. In an interview, he explains how DHL Express contributes to the development of sustainable global trade, talks about what his division is doing to drive employee engagement, and provides insight into the future of the express business.

**With its Group strategy, Deutsche Post DHL Group claims to be provider, employer and investment of choice – as well as to become a benchmark company for responsible business. How would you define being the benchmark for a responsible Express business?**

It all comes down to purpose. If your business is built around a true purpose, then it is highly likely that you will need a strong, in-built sense of responsibility towards all your stakeholders to be successful, whether you put a ‘Corporate Responsibility’ label on it or not. In our case, we are committed to being the world leader in international express delivery, which in turn means playing a central role in facilitating and moving global trade. To achieve this, we recognize that we need to lead across all aspects of the business, and this also includes taking the initiative on environmental and social issues in the markets in which we operate. We weren’t just the pioneers in the international express industry. We were also the first international logistics company, for example, to introduce a measurable target for carbon efficiency. And through our Disaster Response Team partnership with the UN, we are typically among the first logistics operators to enter and provide support in delivering goods to locations hit by natural disasters.

**How does DHL Express manage to balance economic and ecological interests despite an increasingly demanding business environment? Do you see more customers especially asking for eco-friendly shipment solutions?**

In a business which is built around connecting customers' products across continents in the shortest possible timeframe, there is indeed something of an inherent conflict between economic and ecological interests. Our services create tremendous added value for the world economy and, through our role in global trade, we contribute to prosperity and improved living conditions. At the same time, we want to ensure that this value isn't compromised by any negative impacts our transport activities have on the environment. One of the main ways to achieve this – aside from investments in clean technology – is through increasing efficiency in everything you do, which benefits all stakeholders. We do see more customers, particularly those that are looking to contract with an express provider for the long-term, incorporating environmental and social factors into their choice of suppliers. This tells me that everyone recognizes a shared responsibility to the environment throughout the supply chain and makes me optimistic that we will see even greater investment and innovation in this area in the future.

**Maintaining a motivated workforce is essential for a company that expects its employees to go the extra-mile for customers. Which actions does DHL Express take to increase employee engagement and satisfaction?**

This is one of the areas in which I take most pride as a senior executive, and where we have seen direct, positive impact on our business. We have invested significant time and resource in increasing employee engagement and satisfaction within the Express division. We recognize that it is our people – through their daily interactions with our customers – who turn investments into assets. We have institutionalized employee recognition through initiatives such as Appreciation Weeks and Employee of the Year events, and we have supported mentoring and coaching through a focus, for example, on the leadership development of supervisors working with the front line. At the center of it all is the Certified International Specialist development and engagement program, which we introduced globally in 2010. This program has been so successful in driving engagement, and in turn, performance, at DHL Express, that the Group has incorporated the Certified concept into its corporate strategy.

**Which sustainable innovations do you think are most likely to shape the future of the Express business?**

The international express business has developed over many years into a highly competitive market. This has meant that the main players now typically seek differentiation through what we would call 'incremental innovation' – small, marginal changes which, when translated over a global network, can have a huge impact. An example of this would be technologies that make your routings more efficient, which can generate massive savings, improve service and also have a positive impact on your environmental footprint. At the same time, the world is still a diverse place, with huge differences and imbalances in terms of infrastructure, regulations, and economic and social development. This suggests to me that the opportunity is there for additional innovations that could fundamentally transform the way we move shipments across borders. We're open to that and continuously looking for

ways to disrupt our own business. On the environmental front, for example, breakthroughs in fuel and transportation technologies could have a huge impact on our industry. One of the reasons why we are so closely involved in the FIA Formula E electric racing championship is that we are interested in seeing whether it can support a commercial breakthrough in electric vehicle technology.

**Ten years from now – how do you expect the business to evolve?**

In a world changing as fast as it is today, it's difficult to predict exactly how our business will look within five years, let alone ten. One thing is for certain, however: global trade will remain an important driver of the world economy, and there will therefore still be strong demand for international express delivery services throughout the world. It's through our efforts to ensure a sustainable business today that we will ensure that DHL continues to play a positive role in that story tomorrow and a decade from now.



# to|geth|er

[adjective];  
in the spirit of partnership, co-active, side by side

## WHAT DOES TOGETHER MEAN TO US?

Our global reach and local presence in nearly every country around the world puts us in an ideal position to address societal needs. Our programs are organized and implemented at local level in close collaboration with leading international organizations. The outstanding team spirit shown in our employees' volunteer initiatives helps to improve people's lives in a lasting way in countries around the world.

### IN THIS CHAPTER

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# MANAGEMENT APPROACH & TARGETS

Corporate citizenship is a core component of our corporate responsibility strategy. We are the world's leading transport and logistics company, and we want to leverage the know-how of our employees in a way that makes a positive contribution to society and the environment.

We work in close collaboration with established partner organizations to ensure the professionalism and sustainable impact of our programs and activities.

Our corporate citizenship activities focus on:

- Improving disaster management at airports (GoHelp)
- Promoting educational opportunity and employability for young people, especially those from disadvantaged socio-economic backgrounds (GoTeach)
- Supporting local environmental and community service projects initiated by our employees.

In addition, the Group has been involved in [refugee aid efforts in Germany](#) since 2015.

## KPIs & targets

Our engagement on behalf of society and the environment supports the Group's objective to become a benchmark company for responsible business. At the same time, our corporate citizenship activities have a positive effect on the company's image and reputation, as well as on employee motivation and loyalty. Among other metrics, since 2014 we also measure the success of our corporate activities with the help of the internationally recognized LBG framework, and provide reporting – both internally and externally – on the latest developments in this area. We have defined the following KPIs and targets for our main corporate citizenship focus areas:

### KPIs and targets

Focus area	KPI	Target
<a href="#">Employee community involvement</a>	<p>We want to motivate as many employees as possible around the world to get involved as volunteers</p> <p>We plan to continuously expand and improve our refugee relief activities in Germany</p>	In 2016 we want to increase the number of employees participating in Global Volunteer Day
<a href="#">Disaster management</a>	We want to conduct at least one DRT training and at least one GARD workshop in each of the three main regions	Conduct 3 DRT trainings and 3 GARD workshops in 2016
<a href="#">Improving education and employability</a>	As part of the cooperation with SOS Children's Villages and Teach For All, we want to expand activity in the partner countries and deepen our impact	In 2016 we plan to extend our GoTeach partnership with Teach For All another three years (until 2019)

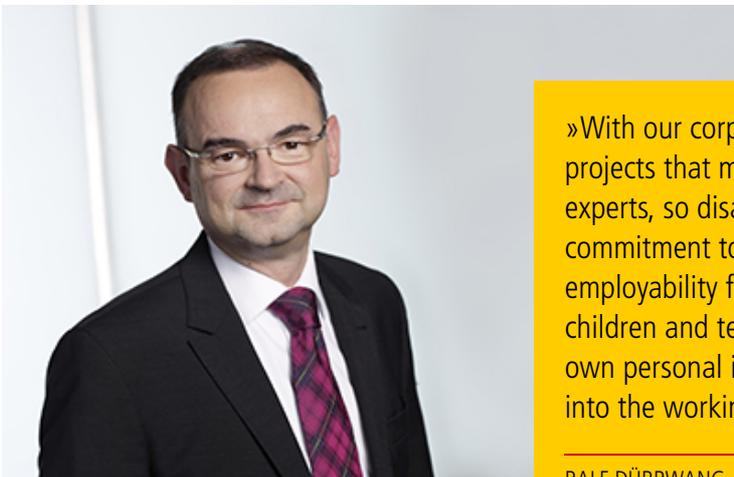
## DEFINING AND QUANTIFYING CORPORATE CITIZENSHIP ACTIVITIES

The LBG framework is one way we systematically assess our social/environmental engagement, and we do this along the following three dimensions:

- **Input:** Amount of money invested, monetary value of time donated by employee volunteers, in-kind donations and administrative expense.
- **Output:** Number of individuals reached or supported, or number of activities and offerings.
- **Impact:** Short and long-term changes among supported individuals/groups (community impacts) as well as changes within the company (business impacts) resulting from the corporate citizenship activity.

All activity falls into one of the following categories:

- Charitable contributions in the form of one-time donations
- Investments in local communities through long-term, strategic involvement/partnership with non-profit organizations
- Commercial initiatives in the form of business-related advertising or sales/marketing measures that also deliver community benefit



»With our corporate citizenship program, we promote projects that match our business portfolio. We are logistics experts, so disaster management is a natural fit. Our commitment to improving educational opportunity and employability focuses primarily on socially disadvantaged children and teens. As mentors, our employees provide their own personal insights on navigating the first initial steps into the working world with success.«

RALF DÜRRWANG  
HEAD OF CORPORATE CITIZENSHIP

In order to be measured by the LBG model, the activity must benefit a non-commercial partner. Social programs for the benefit of a company's own employees or the company itself cannot be measured, nor can any expenditures resulting from regulatory control.

In the reporting year, we were able to continue improving the quality of the data. New activities were identified and some existing activities were newly evaluated. Thus the percentage of long-term strategic involvement, i.e. investments in local communities, increased to 60% in 2014 (2013: 38%). The percentage of charitable contributions reached 16% (2013: 12%) and the percentage of commercial initiatives was roughly 25% (2013: 40%).

## DISASTER MANAGEMENT: GOHELP

The Group's global GoHelp program includes all emergency relief measures in the wake of natural disasters as well as disaster preparedness measures in disaster-prone regions.

Our GoHelp program leverages Deutsche Post DHL Group's logistics expertise and global logistics network to support the United Nations, making us part of a global humanitarian system. The strategic partnership between our company and the UN now extends over ten years. Any contributions and services provided by the Group through GoHelp are free of charge.

We support airports in two different ways. Our Get Airports Ready for Disaster (GARD) workshops prepare airports in disaster-prone regions for the possibility of a disaster-related emergency response. When disaster does strike, our Disaster Response Teams (DRTs) are deployed to ensure that the arriving relief supplies are managed efficiently and received by the authorized aid organizations so that the most urgent items get to where they are needed most. Both GoHelp programs (GARD and DRT) are very well received and respected both inside and outside the company.

## Corporate citizenship



**Americas**

**10** SOS partner countries      **4** Teach For All network partners

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- GARD workshop      Dominican Republic
- GARD plus initiative      Dominican Republic
- DRT deployments      Brazil, Chile, Guatemala
- DRT trainings      Guatemala, Peru
- DRT regional team      Panama

**Europe**

**1** SOS partner country      **2** Teach For All network partners

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- GARD workshop      Macedonia
- DRT training      Turkey

**Other regions**

**12** SOS partner countries

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- DRT training      Bahrain
- DRT regional team      Dubai

**Asia Pacific**

**3** SOS partner countries      **4** Teach For All network partners

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- GARD workshop      India
- DRT deployments      Nepal, Vanuatu
- DRT training      Philippines
- DRT regional team      Singapore

## Disaster preparedness: Get Airports Ready for Disaster

We developed the Get Airports Ready for Disaster (GARD) program based on more than ten years of experience in disaster management. In cooperation with the United Nations Development Programme (UNDP), GARD helps prepare airport personnel and local disaster management authorities for the logistical challenges associated with disaster relief efforts.

Our activity here focuses on multi-day GARD workshops during which instructors work with participants to conduct risk analyses and develop tailored emergency response plans. This also involves close collaboration with other local institutions, including relief organizations. The follow-up module "GARD plus" includes a test run of recommended measures six to twelve months after the initial GARD workshop. This ensures that emergency response plans remain up-to-date and can be deployed immediately.

In the reporting year GARD workshops were conducted for a total of over 70 participants at four airports in the Dominican Republic, India and Macedonia. A GARD plus workshop was also conducted in the Dominican Republic in 2015.



## Disaster relief: Disaster Response Teams

In cooperation with the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA), we have established a network of over 400 trained DHL employees who serve in our Disaster Response Teams (DRT) on a volunteer basis. We have three regional DRTs located in Dubai (for deployment in the Middle East and Africa), Panama (Americas) and Singapore (Asia Pacific). When called upon by the UN, DRTs can be deployed to disaster areas within a maximum of 72 hours.

In March 2015 a devastating cyclone struck the island nation of Vanuatu in the South Pacific. Volunteers from the Asia Pacific DRT provided logistics support at the airport, coordinated incoming aid and prepared the goods for further transport. DRTs were also deployed to Nepal following the massive earthquake in April of 2015. Working at the Tribhuvan International Airport in Kathmandu, four teams with a total of 33 employee volunteers helped process some 2,000 tonnes of relief supplies and ensure delivery to aid organizations on the ground. In Brazil, Chile and Guatemala DRTs were deployed to assist local flood relief efforts.



When deployed in the wake of a natural disaster, DRT volunteers face a number of challenges. They not only engage in hard physical work, but must often cope with poorly organized relief efforts. We provide regular follow-up trainings to make sure our DRT volunteers are prepared. In 2015 over 170 employees took part in these trainings. We are planning to hold at least one training in each of the three DRT deployment regions in 2016.

## GOTEACH: IMPROVING EDUCATIONAL OPPORTUNITY AND EMPLOYABILITY

The goal of our Group-wide GoTeach program is to improve educational opportunity and employability of young people, especially those from disadvantaged socio-economic backgrounds. There are several good reasons for doing this. First, as one of the world's largest employers, we rely on access to highly qualified employees around the world. Education is a key contributor to Deutsche Post DHL Group's productivity and innovation capacity. Secondly, in today's rapidly changing world, education promotes greater stability and prosperity – both for individuals and for the societies and markets in which we conduct business. In this way GoTeach supports one of our primary goals as a company: to become Employer of Choice. At the same time it helps build and maintain a stable market environment.

When it comes to our GoTeach activities, our employees share not only their time but their own individual skills and experiences. Our strategic, global partners are SOS Children's Villages and the educational network Teach For All.

### Partnership with SOS Children's Villages



Deutsche Post DHL Group's global collaboration with SOS Children's Villages dates back to 2010 and today includes partnerships in 26 countries. The main focus of the Group's involvement is to provide support to young people between the ages of 15 and 25 as they make the transition to working life. Along with financial support for educational programs and youth facilities, we focus our activities on career guidance, teaching basic professional skills and providing young people with first exposure to the work environment.

In the reporting year we established two new partnerships with organizations in Nigeria and Tanzania, and conducted an extensive evaluation of our partnerships around the world. The goal of the evaluation was to gain a clearer picture of our local collaboration efforts and how they impact the lives of both young people and participating employees. The results of the evaluation prove the efficacy of our partnership model.

At the heart of the GoTeach partnership with SOS Children's Villages is the direct contact and exchange between the young people and our employees, many of whom become role

models – a fact confirmed by 85% of the young people participating in the 2015 evaluation survey. The support we provide is always tailored to the local conditions and opportunities available in the individual countries. This individualized support significantly improves their employability and ability to grow into independent, self-supporting young adults.

In the reporting year, more than 1,000 employees devoted over 15,500 hours of their time to our partnership with SOS Children's Villages. Some 2,000 young people in our 26 partner countries benefited from support activities carried out in 2015. More than 140 young people took part in work placements within the Group and at least 12 were offered employment contracts. In 2015 all partner countries took part in one of three regional conferences held in Africa, Central/South America and Asia. Conference participants agreed to expand involvement in the active partner countries in 2016 and to use the results of the partnership evaluation to continue to improve the quality and positive impact of the Group's involvement.

## Partnership with Teach For All

The logo for Teach For All, featuring the text "Teach For All" in white, bold, sans-serif font centered within a solid red rectangular background.

2015 marked the fifth year of Deutsche Post DHL Group's partnership with the global educational initiative Teach For All – an organization working to provide every child, regardless of their parents' socio-economic status, with access to quality education. To this end, Teach For All partner organizations recruit and develop exceptional university graduates and young professionals to teach in high-need schools. During their teaching service, participants in the program receive training and support from the partner organizations. Teaching assignments are full time and last for two years. Even after completing their active assignments, Teach For All teaching participants continue to work throughout their lives to expand opportunity for children.

As part of our partnership we support the global organization Teach For All as well as ten network partner organizations in Argentina, Bangladesh, Chile, Ecuador, Germany, India, Malaysia, Peru, the Philippines and Spain. Our newest partnerships, with the national organizations Teach For Bangladesh and Teach For Malaysia, were launched in March 2015. Our support includes financial donations, in-kind donations and the time and energy donated by our employees. In the reporting year some 1,300 employees took part in 103 partnership activities. Of these, some 90 employees volunteered their free time to serve as mentors, supporting both teaching participants and students in their personal and professional development.

In the reporting year Deutsche Post DHL Group received Teach For All's "2015 Tiger Award" for the Group's longstanding commitment and financial support, which has helped build a strong foundation for the organization's worldwide network. With our continued support, the Teach For All global network grew from 35 to 39 independent partner organizations in the reporting year.

## EMPLOYEE COMMUNITY INVOLVEMENT

We expressly encourage employees to volunteer in their local communities, because we feel that volunteering on behalf of society and the environment benefits not only our partner organizations, but also the individual employees who donate their time and energy. Volunteer work opens our employees to new and different perspectives; this strengthens the bonds between them and makes a significant contribution to a more engaged and motivated workforce. Moreover, employee community involvement supports the company's strategic goal to act responsibly with regard to the environment and society in all areas of our business.

### Global Volunteer Day

Since its inception in 2011, Global Volunteer Day (GVD) has become a major component and driver of employee volunteer work across the Group. GVD provides a platform for employees to realize community projects in close collaboration with independent local organizations and charities. Volunteer work in the context of GVD is not limited to a single day or single project, but is designed to promote lasting ties between our employees and the many local non-profits and charities in which they are involved.

In the reporting year over 110,000 employees provided support to non-profit projects in their communities as part of the GVD program; 78,000 (2014: 77,000) of these employees in 114 different countries worldwide took active part in local projects, contributing more than 260,000 volunteer hours in more than 2,000 individual projects. Employee participation in GVD – and the diversity of GVD projects – continues to grow year to year.

2015 marked the first time GVD participation levels were measured using the LBG model. Reconciliation between the previous and the new method is presented in the [Annex](#) to this report.

### Living Responsibility Fund

We also provide financial support to local community projects in which our employees are involved as volunteers. The Living Responsibility Fund (LR Fund), which is fed by Group funds, provides financial support to local partner organizations to help them expand their scope of activity together with our employee volunteers. In order to qualify for financial support, at least two Group employees must devote 50 hours of their time to the project over the course of one year. Our goal is to support employees who demonstrate lasting commitment to social or environmental causes and serve as models for their fellow colleagues. Each year a jury consisting of representatives from all board departments across the Group selects projects for funding. Projects in which employees invest more than 400 hours are eligible to receive a maximum of €4,000. The exact figure depends on the number of hours volunteered by employees over the course of the application year. In 2015, 79 employee projects in 31 countries received financial support through the LR Fund. A total of 4,600 employees volunteered approx. 39,000 hours of their time to these projects, or the

equivalent of approx. 4,900 eight-hour work days. In the reporting year the LR Fund granted a total of €212,000 in financial support.

## Employees supporting employees

Our internal relief fund “We Help Each Other” (WHEO) is testament to the team spirit and solidarity among Deutsche Post DHL Group employees. WHEO is funded by individual employee donations or larger employee donation drives organized at the local level.

WHEO’s goal is to provide financial support to Deutsche Post DHL Group employees who are victims of a natural disaster. In the reporting year 52 employees in six countries received financial support from the fund. Among the beneficiaries are 38 DHL employees in Nepal who were affected by the devastating earthquake that shook the country in the spring of 2015.

## Refugee aid in Germany

**1,000**

internships for refugees in Germany

**100**

volunteer coordinators act as local contact persons

Since September 2015, Deutsche Post DHL Group has been actively involved in refugee aid in Germany. The Group works closely with highly experienced aid organizations such as the “Aktion Deutschland Hilft” alliance, SOS Children’s Villages, Stiftung Lesen and Teach First Deutschland. We see our involvement in refugee aid as a longer-term commitment. For the first year the Group has earmarked a total of €1 million for refugee aid. Our focus is on cultural integration, with an emphasis on language acquisition and vocational preparation and training.

As one of the largest employers in Germany we will also offer up to 1,000 internships to give refugees exposure to the German working world and provide them with opportunities for integrating into the German labor market. In addition, we want to encourage up to 10,000 employees to get involved in their local communities. We have deployed 100 volunteer coordinators across Germany to act as local contact persons for employees and relief organizations. In addition, we met with federal and state-level representatives in 2015 to discuss the utilization of Group property for refugee housing, as well as the deployment of employees to support with administrative tasks.



# ef|fi|cient

[adjective];  
effective and productive, designed for cost-effectiveness

# WHAT DOES EFFICIENT MEAN FOR US?

The alignment of economic and environmental targets calls for sustainable management practices that secure our company’s competitiveness and enhance our customers’ business success. We improve efficiency and develop green solutions along the entire supply chain.

## IN THIS CHAPTER

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## INTERVIEW WITH JÜRGEN GERDES



»There's no doubt that logistics has an impact on the environment. But here again, as the market and innovation leader, we can, want and must be a very clear role model. And we're doing just that.«

[READ INTERVIEW ON PAGE 127 →](#)

## Management approach & targets ✓ PwC

Logistics is a major growth industry. As global commerce grows and e-commerce continues to boom, the demand for logistics solutions will only increase in the future. The effects of this extend far beyond our company's own success. Our logistics solutions connect people and regions to one another, and facilitate economic growth and prosperity. At the same time, our business activity has a considerable impact on the environment. This is due largely to climate-changing greenhouse gas emissions, but also to local air pollutants and noise pollution. We acknowledge our special responsibility to the environment – and we act on this strong sense of responsibility through our Group-wide environmental protection program.

Our activity in the area of environmental protection is guided by the Shared Value proposition – the notion that we can contribute to society and the environment while, at the same time, contributing to the success of our business. The success of this approach is evidenced by the progress we've made in improving carbon efficiency, which is at the heart of our climate protection goals. We want to reduce the greenhouse gas emissions for every letter, every parcel, every tonne of freight and every square meter of warehouse space by 30% by the year 2020. Since indirect emissions account for a large portion of the Group's overall carbon footprint, this target not only applies to the emissions generated by our own fleet, but also to those generated by subcontracted transport services. As of the reporting year, our climate protection measures have already resulted in a carbon efficiency improvement of 25% compared to the 2007 baseline.

To achieve our climate protection goals by 2020, we have and will continue to develop and implement tailored action measures designed specifically for the given region and area of operations. These include measures to:

- Improve our fuel efficiency
- Optimize our networks and routes
- Improve energy efficiency in our buildings

By applying efficiency measures to our vehicle fleet, we are also able to reduce emissions of local pollutants and – with the deployment of electric vehicles, for example – reduce noise pollution in dense urban areas. Another focal point of our Shared Value proposition is developing new, more eco-friendly logistics solutions. Green logistics solutions are increasingly important for our business; they not only help meet the needs and expectations of our customers, but – as with our Green Optimization services – also improve the efficiency of our own operations. To underscore the significance of green solutions, we have made green logistics solutions an integral part of our corporate strategy.

We are also involved in a number of initiatives to achieve greater transparency and comparability in the area of greenhouse gas emissions data collection and reporting. We see this as another way to make a lasting contribution to lowering fuel and energy consumption, and reducing greenhouse gas emissions. We will also be supporting the climate agreement reached during the 2015 UN Climate Change Conference in Paris (COP21) to hold the

global temperature increase to well below 2 °C. Our CEO Dr. Frank Appel was one of over 40 signatories to an open letter directed toward governments participating in COP21, asking for the adoption of uniform and binding climate-protection targets.

## KPIs & targets ✓ PwC

We regard environmental protection as a continuous and dynamic process. As part of our materiality analysis, we regularly review the relevance of identified focus areas and the implemented action measures. The materiality analysis conducted in the reporting year largely affirmed the focus of our environmental protection efforts – energy efficiency and climate change. At the same time, other environmental factors such as local air pollutants and noise pollution have gained considerably in significance.

The Carbon Efficiency Index (CEX) is the key performance indicator for measuring the progress of our environmental protection program and activities. We have not yet set separate targets for managing local noise and reducing air pollution. This is because the measures we implement to improve our carbon efficiency also contribute to reducing noise and the emission of local air pollutants. Additionally, in contrast to greenhouse gas emissions, there are already extensive legal standards and requirements in place in most cases, such as the European Union's exhaust emissions standards or noise pollution regulations. We always meet and often surpass these standards.

We have met our targets for 2015:

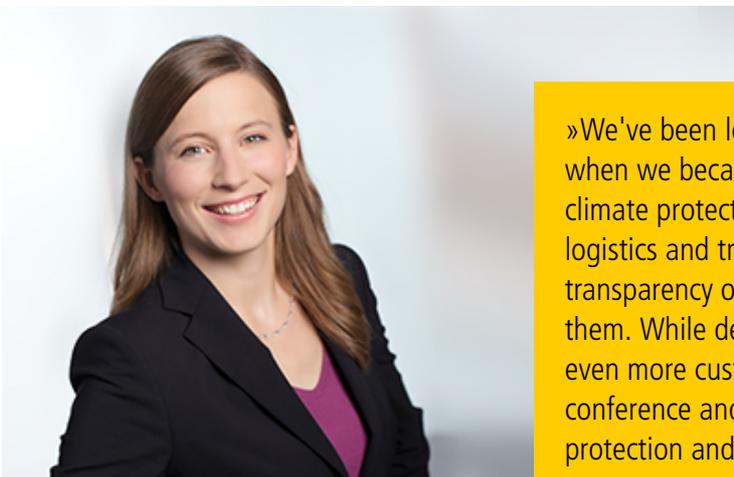
- We achieved our goal of improving our carbon efficiency by at least one percentage point over the previous year.
- The wide-scale implementation of an energy management system based on the ISO 50001 standard at sites within the EU was completed in the reporting year.
- We continued to rollout the use of electric vehicles in our delivery operations both in Germany and in other European countries.
- We implemented smart metering systems throughout Germany to improve the efficiency of our buildings.

### KPIs and targets

Focus area	KPI	Target
Energy efficiency and climate change	Carbon Efficiency Index (CEX)	Improve CEX by at least one index point over previous year
Local air pollutants and noise	We plan to give this area special attention with the goal of developing relevant targets and reviewing the applicability of existing KPIs for this area.	
Rollout of energy management system	We plan to continue the implementation of an energy management system based on the ISO 50001 standard at sites within the EU and expand our own 6-Step Approach to environmental management to include the aspect of energy management.	
<b>Efficiency measures</b>		
Buildings: Rollout energy consumption and monitoring systems	We will begin implementation of smart metering technology at relevant sites throughout Germany.	
Buildings: Continue rollout of lighting systems	We will upgrade all of our mail sorting centers in Germany to LED lighting by 2019.	
Buildings: Modernization of heating systems	We plan to upgrade the heating systems in our parcel centers, replacing them with energy-efficient block heat and power plants.	

## ENVIRONMENTAL PROTECTION PROGRAM

Improving carbon efficiency and reducing air and noise pollution are the focus areas of our Group-wide environmental protection program GoGreen. This includes not only the direct emissions generated by our own fleet, but also the indirect emissions from our transportation subcontractors, which account for the largest share of the Group’s overall emissions.



»We've been leading the way in green logistics since 2008, when we became the first logistics company to set a climate protection target. We offer customers eco-efficient logistics and transport solutions that not only improve the transparency of their emissions, but help reduce or offset them. While demand for such services is high, we hope that even more customers answer the call of the Paris climate conference and strengthen the link between environmental protection and business opportunity.«

KATHARINA TOMOFF  
HEAD OF SHARED VALUE

The focus areas of our GoGreen program are defined in our Group-wide Environmental and Energy Policy; our environmental management system, in turn, ensures implementation of this policy. Other Group policies designed to help achieve our environmental protection goals include our

- **Investment Policy:** Requires that new acquisitions offer greater carbon efficiency or eco-friendliness than existing assets.
- **Biofuel Policy:** Prohibits the use of biofuels that negatively impact local food production in the countries where they are produced.
- **Paper Policy:** Requires us to purchase recycled paper whenever certified recycled paper is available on the local market. The policy is available for download.

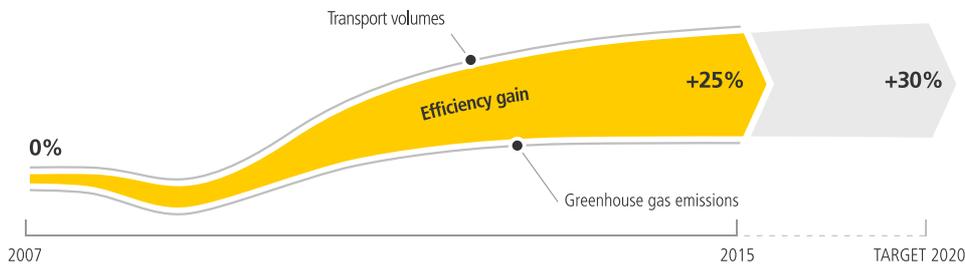
The Group's Environmental Policy was revised in the reporting year and reissued as the Deutsche Post DHL Group Environmental and Energy Policy. The policy was modified to reflect the introduction of an energy management system based on the ISO 50001 standard as well as our increased focus on local air and noise pollution as material issues for our operations.

In 2015 our stakeholder survey also addressed other environmental issues, such as water consumption, waste production, recycling and biodiversity. As a logistics service provider, Deutsche Post DHL Group uses only a limited amount of natural resources such as water and wood, and does not generate significant amounts of waste. Nor do our facilities and operations have a significantly negative effect on biodiversity. Independent of our environmental protection priorities and main action areas, we of course always act in accordance with existing environmental laws and regulations.

## Fuel and energy efficiency

Our goal is to increase fuel and energy efficiency to the point where higher transport volumes do not necessarily translate into increased emissions. A comparative analysis of the various modes of transport we use – including air, road, rail and ocean – reveals that air transport produces the greatest share of both greenhouse gas emissions and the local air pollutant sulfur dioxide (SO<sub>2</sub>). In the case of ground transport, greenhouse gas emissions and fine particulate air pollution (PM<sub>10</sub>) emerge as the most relevant factors. For our operations, this means constant attention to route optimization, as well as modernizing our aircraft and renewing our road vehicle fleets.

## Efficiency principle



Thanks to these measures we were still able to decrease our greenhouse gas emissions in the reporting year despite transport volumes remaining nearly as high as in 2014. This is reflected in our main performance indicator, the Carbon Efficiency Index (CEX). In the reporting year we were able to improve our carbon efficiency by one percentage point over the previous year, meeting our 2015 target.

## Green products

Our customers also benefit from our expertise in environmental protection. Our [DHL GoGreen Solutions](#) help customers optimize the environmental efficiency of their own business processes. More and more customers today expect eco-friendly transportation services and will award their business to providers who have environmental management systems and measures in place. In this way we make a positive contribution not only to society and the environment, but – in the spirit of Shared Value – also to the success of our company and that of our customers.

## Employee training

Our employees also play a critical role in realizing our environmental goals, which is why we revised our interactive training program and made it available on our Group-wide e-learning platform in the reporting year.

# ENERGY AND ENVIRONMENTAL MANAGEMENT SYSTEM

We have made environmental awareness an integral part of our day-to-day business. Using our 6-Step Approach, an internal process based on the ISO 14001 standard, we are engaged in a continuous improvement process – constantly developing and implementing improvement measures to help us achieve our environmental targets. We also apply the 6-Step Approach to sites that are not (yet) ISO-relevant.

**Site definition**



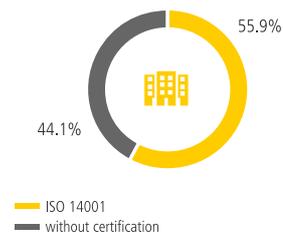
We occupy approximately 12,000 sites worldwide, including office buildings, mail and parcel centers and logistics warehouses; these also include Packstation machines and drop-off points. Only 75% of these sites are eligible for ISO certification and just 5% of these sites are owned – and thus managed – by the Group.

External certifications are conducted only at larger sites and sites with standardized processes – and according to their relevance for the business and the amount of fuel and energy they use. The decision for or against external certification also depends on the requirements of the given business model. If we operate a facility for one of our Supply Chain customers, for example, the customer will decide whether the site undergoes certification or not.

In the reporting year some 5,175 out of 9,259 ISO-relevant sites were certified according to ISO 14001. This represents 56% of our sites. Additional countries in Europe received certification in the reporting year, among them Turkey.

✓ PwC

**ISO 14001 sites** ✓ PwC



In 2015 we prepared our sites in the European Union for EN 16247-1 energy audits and largely completed implementation of an energy management system according to the ISO 50001 standard. Ultimately, it is operations management that decides which sites undergo an audit or which are certified. Some of our sites in Austria, Denmark, Germany, Ireland and Italy have already received ISO 50001 certification.

✓ PwC

## ISO 14001 sites

Worldwide

5,175



<b>Americas</b>	
<b>658</b>	
ISO 14001-relevant sites	
Of these 12% (81 sites) have been certified	
Global hub Cincinnati (USA)	
Number of employees	78,027
Vehicles	5,080

<b>Europe</b>	
<b>6,887</b>	
ISO 14001-relevant sites	
Of these 68% (4,708 sites) have been certified	
Global hub Leipzig (Germany)	
Number of employees	326,979
Vehicles	81,190

<b>Other regions</b>	
<b>451</b>	
ISO 14001-relevant sites	
Of these 13% (59 sites) have been certified	
Number of employees	18,896
Vehicles	1,825

<b>Asia Pacific</b>	
<b>1,263</b>	
ISO 14001-relevant sites	
Of these 26% (327 sites) have been certified	
Global hub Singapore	
Number of employees	73,843
Vehicles	4,245

With this we have achieved our targets for 2015 and are also in full compliance with the corresponding EU standards and national regulations. By certifying according to the ISO 50001 standard, we far surpass the EU's minimum legal requirements. In the coming year we will also expand our 6-Step Approach to include energy management.

## EFFICIENCY MANAGEMENT

We rely on either our own fleets and properties or those of our subcontractors to provide our transportation and logistics services. In the area of ocean and rail freight, we work together with subcontracted shipping and rail companies. To ensure and continuously improve the efficiency of our own fleets and buildings, we implement a comprehensive energy efficiency management system that includes the use of innovative, efficiency-enhancing technologies. In addition to this, our Group-wide Investment Policy requires that new acquisitions offer greater carbon efficiency or eco-friendliness than existing assets. As a result, an increasing number of vehicles and buildings already feature advanced efficiency technologies.

Our efficiency measures are guided by two basic principles: “burn less” and “burn clean”. “Burn less” measures help us reduce the energy and fuel consumption of our operations. We then turn to “burn clean” measures to capture additional emissions savings. This approach also has a positive impact on local air and noise pollution levels.

### Climate protection: efficiency improvement measures

#### Burn less (Reduction of energy consumption)

 <b>Aircraft</b>	 <b>Vehicles</b>	 <b>Buildings</b>
<ul style="list-style-type: none"> <li>■ Renewal of air fleet</li> </ul>	<ul style="list-style-type: none"> <li>■ Reduction of energy consumption</li> <li>■ Optimized aerodynamics</li> <li>■ Engine modifications</li> <li>■ Expanded use of telematics systems</li> <li>■ Use of hybrid drive systems</li> </ul>	<ul style="list-style-type: none"> <li>■ Intelligent lighting and control systems</li> <li>■ Efficient heating and cooling solutions</li> <li>■ Energy-efficient building design</li> </ul>

#### Burn clean (Use of alternative energy sources)

 <b>Aircraft</b>	 <b>Vehicles</b>	 <b>Buildings</b>
<ul style="list-style-type: none"> <li>■ Use of alternative fuels (currently not applicable; involvement in research initiatives, such as aireg e.V.)</li> </ul>	<ul style="list-style-type: none"> <li>■ Use of alternative energy sources</li> <li>■ Use of alternative fuels</li> <li>■ Use of "green" electricity for electric vehicles</li> </ul>	<ul style="list-style-type: none"> <li>■ Increased use of purchased energy from renewable sources and on-site generation of "green" energy</li> <li>■ Use of natural resources (daylight and rain water harvesting)</li> </ul>

### Reducing energy/fuel consumption (burn less)

As a rule there is no single efficiency-improvement method or measure that can be applied to all areas of operation in a way that is suitable, practicable and cost-effective. Instead, we continually develop and test new measures for improving our own energy and fuel consumption. Additional efficiency gains can be achieved through efficient route and network planning, and multi-modal transport.

### Using sustainable energy/fuel sources (burn clean)

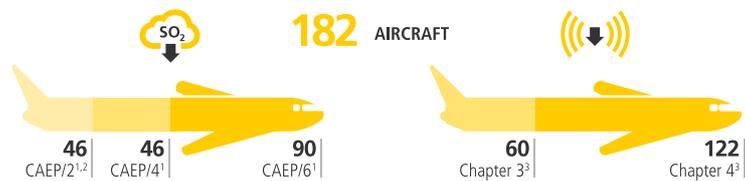
At the same time, we strive to increase our use of cleaner-burning fuels to meet our energy needs – we do this by using electricity from renewable sources in our buildings and alternative fuels in our vehicle fleets. Choosing fuels that have been produced sustainably is important to us. As laid out in our Group-wide policy governing the use of liquid biofuels issued in 2010, we therefore prohibit the use of biofuels that negatively impact local food production in the countries where they are produced.

## Air transport

As a leading provider of international express services, Deutsche Post DHL Group maintains a fleet of over 250 dedicated aircraft comprised of 182 cargo planes and a number of smaller feeder aircraft. Our air fleet serves approximately 500 airports worldwide via 19 main regional hubs and three global hubs in Leipzig, Cincinnati and Hong Kong.

At 1,300 million kg, the kerosene consumption within our own fleet in 2015 was slightly more than in 2014. Air transport thus comprised approximately 69% of our direct greenhouse gas emissions (GHG Protocol Scopes 1 and 2). Air transport is also the main source of the local air pollutant sulfur dioxide (SO<sub>2</sub>). Based on the materiality analysis, our stakeholders regard all of these aspects as relevant for the Group and its operations. Our “burn less” measures help us address them – such measures include the continuous modernization our air fleet, for example. In 2015 we deployed the first tranche of Boeing 757 aircraft in Europe, which are more efficient, have greater cargo capacity and are equipped with improved technology. This improves the environmental friendliness of our fleet while reducing repairs and improving the working conditions for flight personnel. At present, 66% of our jet aircraft meet the highest noise standards prescribed by the International Civil Aviation Organization (ICAO).

### Deutsche Post DHL Group aircraft fleet in 2015



<sup>1</sup> Classification issued by the Committee on Aviation Environmental Protection (CAEP); the higher the CAEP class, the more stringent the requirements.  
<sup>2</sup> Includes 12 aircraft without classification.  
<sup>3</sup> International Civil Aviation Organization's noise standard classification

In keeping with our “burn clean” approach, we also support the use of alternative aviation fuels. At present, however, the alternative aviation fuels currently available on the market do not meet the high sustainability standards established by the Group with regard to liquid biofuels. We are currently working together with other companies as part of the Aviation Initiative for Renewable Energy in Germany e.V. (aireg) to advance the development of alternative aviation fuels.

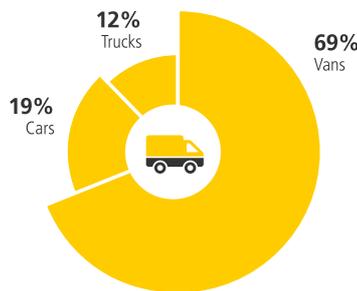
In the reporting year we began simulating the potential fuel consumption of individual aircraft types based on various flight routes to understand the impact of biofuels on our fleet. The resulting data will be fed into the airegEM research partnership project.

## Road transport

Our road vehicle fleet consists of approximately 92,000 vehicles worldwide. We implement a wide range of measures to improve the carbon efficiency of our operations – many of these measures also improve the fuel-efficiency of our road fleet. These are first tested for their effectiveness before being rolled out on a larger scale. Solutions here focus mainly on aerodynamics and eco-chiptuning technologies, but also include lightweight vehicle design and telematics.

### Deutsche Post DHL Group vehicle fleet in 2015

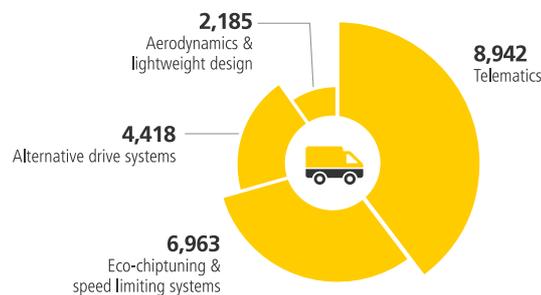
Total **91,973**



Along with technical modifications made to conventional fuel vehicles, we have also increased our efforts to deploy alternative drive technologies and alternative fuels as a way to further reduce our greenhouse gas emissions. This includes mainly electric and natural gas powered vehicles for short distances, as well as sustainably produced, advanced generation biofuels for long-haul transport. Out of approximately 92,000 road vehicles deployed worldwide, we have already enhanced approximately 13,500 vehicles with some 22,500 technical modifications (several different modifications can be made to a single vehicle).

### Efficiency-enhancing technologies in the road fleet<sup>1</sup>

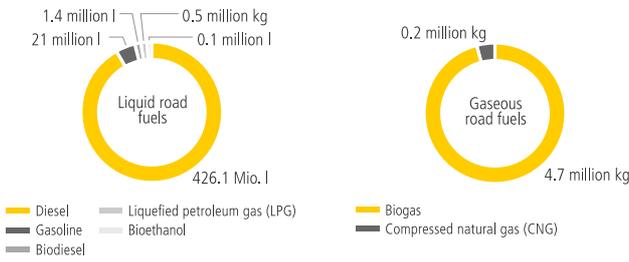
Total **22,508<sup>2</sup>**



<sup>1</sup> One single vehicle can be modified with more than one optimization measure.

<sup>2</sup> Data includes 1,569 measures implemented on subcontractor vehicles.

### Fuel use for road transportation<sup>1</sup> ✓ PwC



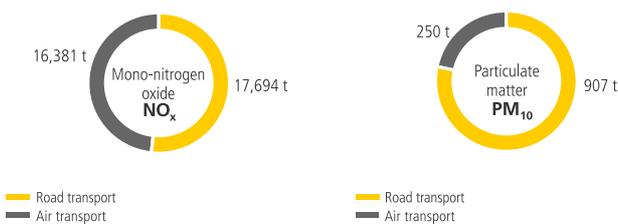
<sup>1</sup> Covers consumption data for our own vehicles only.

A detailed overview of individual efficiency measures as well as a multi-year overview of the fuel use data can be found in the [Annex](#) of this report.

### Local air pollutants and noise pollution

Road transport generates not only greenhouse gas emissions but also more localized air pollutants, including mono-nitrogen oxides (NO<sub>x</sub>), sulfur dioxide (SO<sub>2</sub>) and particulate matter (PM<sub>10</sub>). While minimizing greenhouse gas emissions remains a top priority, reducing local air pollutants has become an increasingly important environmental challenge in the area of road transport – not least because of the low-emission zones (LEZ) established by many cities today, which permit access to low-emission vehicles only.

### Road transport: Emissions of local air pollutants<sup>1,2</sup> ✓ PwC

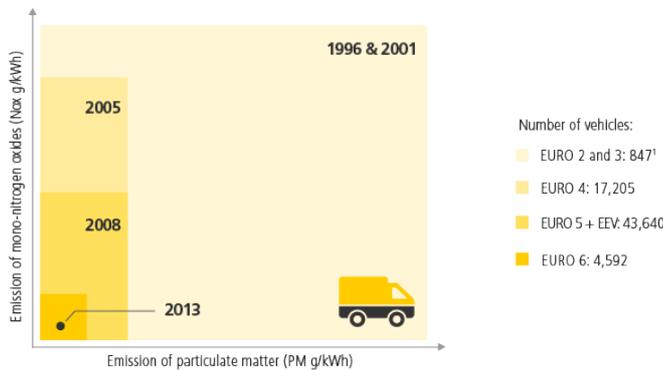


<sup>1</sup> Emissions of local air pollutants from road transport are calculated based on actual consumption data; for emissions from air transport, these calculations are based on route profiles. Emission factors published in the EMEP/EEA Air Pollutant Emission Inventory Guidebook (2013) as well as those published by the US Environmental Protection Agency were applied.

<sup>2</sup> Emissions data covers our own road vehicles only.

By continuously upgrading and renewing our worldwide fleet in accordance with the latest emission standards, we ensure continuous optimization of our local road transport emission levels. Already today more than 48,000 of our road vehicles in Europe meet Euro 5 or Euro 6 standards. Moreover, many of the efficiency measures for reducing greenhouse gas emissions – including the use of electric vehicles, natural-gas powered vehicles or fuel efficiency technologies – also have a positive impact on emissions of local air pollutants.

## Vehicle emission standards over time and vehicles by emission class



<sup>1</sup> EURO 2 comprises 18 vehicles.

As shown in our most recent materiality analysis, our stakeholders are also concerned with noise pollution and have identified its reduction – alongside the reduction of local air pollutants – as a material issue for the Group. We are therefore committed to working closely with our stakeholders to find ways of operating that generate less noise. Our ongoing investment in electromobility as well as the use of bikes in our delivery operations are also ways in which we are helping to reduce noise pollution in urban areas.

### Major projects

In the reporting year we implemented numerous measures to continue enhancing our road vehicle fleet. Measures included the continuation and further expansion of ongoing projects, as well as testing and evaluating new technologies for future deployment.

Deploying low-emission drive technologies for our urban mail and parcel delivery services was one of our main focus areas in 2015. Our subsidiary StreetScooter GmbH, for example, launched the first small-scale production run of the “StreetScooter”, an electric vehicle developed in-house, producing a total of 500 StreetScooters in the reporting year. The first StreetScooters were also introduced to neighboring European countries – we clearly met our 2015 targets with these achievements.

In 2015 we tested various alternative (either emission-free or low-emission) drive systems for use in delivery operations.

- In the UK we made revisions to our series hybrid truck and expanded its energy storage system. Thanks to these changes, the combustion engine is now used only intermittently to power the generator that charges the electric motor’s battery while driving. This means complete emission-free operation for portions of the truck’s routes.
- In France we are participating in pilot projects on fuel cell technologies to extend the range of electric mail and parcel delivery vehicles.

- In China, we have partnered with a manufacturer of electric vehicles to test vehicles of various sizes, from small cars and vans to trucks.
- In Barbados we conducted tests of electric vehicle use to identify potential applications for small island nations.

The reporting year also saw progress in “burn less” measures. Our focus here was on renewing our road vehicle fleet with more efficient models and fuel-efficient tires, as well as further expansion of telematics systems for fuel-efficient driving. We also tested new technologies such as hydraulic hybrids for pick-up and delivery at postal outlets in urban areas.

## Networks

Additional efficiency gains can be achieved through efficient route and network planning, and by switching to other modes of transport (e.g. from road to rail freight).

- **Route planning**  
In 2015 we fitted an additional 2,750 trailers with GPS systems; this added to the 22,000 trailers and swap bodies already equipped with GPS. GPS allows our dispatchers to retrieve real-time information about current location and routing for each truck, and to take advantage of any extra load capacity available. This allows us to plan our routes more efficiently and achieve better load-capacity utilization.
- **Network optimization**  
In the area of freight transport, our Rail-China project expanded our intermodal network between China and Europe. Rail transport produces 96% fewer carbon emissions than air transport. Based on 2015 freight volumes, this translates into an emissions saving of 151,401 tonnes of CO<sub>2</sub>.

We also initiated our very own “Maritime Silk Road”, a new multimodal solution combining ocean and road freight for shipments between Europe, Asia, Northern Africa and the Middle East. This service makes the ocean freight option even more attractive for our customers.

Our increased use of courier bikes in cities for the delivery of express items has also helped drive efficiency gains. Thanks to our efforts in the reporting year, our bike courier network now spans 50 cities in eleven different European countries. We also tested the use of a special transport bicycle for the delivery of larger items and plan to expand use of this bicycle in 2016.

## Buildings

Deutsche Post DHL Group occupies approximately 12,000 sites worldwide, including office buildings, mail and parcel centers and logistics warehouses. Approximately 5% of these

properties are owned by the Group. To improve energy management in our buildings, we inspect and evaluate each site individually and develop tailored efficiency concepts, which include the use of smart lighting technologies and intelligent control system upgrades for heating and cooling (burn less), as well as electricity generated from renewable energy sources such as wind, hydropower, solar and biomass (burn clean). All solutions are designed to be commercially viable with the occupation period of each building, depending on whether the property is leased or owned.

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**62%**

electricity from renewable energy sources

**2.4%**

reduction in energy consumption

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62% of electricity used at our sites is generated from renewable energy sources. In Belgium, Germany, France, Ireland, Italy, Luxembourg, the Netherlands, Norway, Spain, Sweden, the UK, and the US, we have attained more than 90% green electricity usage, meaning that hardly any conventional energy sources are used in our sites in these countries.

Our use of renewable energy sources in 2015 allowed us to avoid 0.45 million tonnes of greenhouse gas emissions. At the same time we reduced total energy consumption in our buildings and facilities by 2.4% compared to the previous year.

We work continuously to increase the use of energy from renewable sources in other countries as well. And in countries where renewable energy is not yet available, we are active in promoting and establishing its use. In the reporting year we were once again recognized for our efforts in this area.

In addition to reducing our greenhouse gas emissions and improving energy efficiency, we are also intent on reducing noise pollution. At the sites located in or near residential areas, our local management works closely together with residents and other stakeholders to ensure that noise pollution caused by our business activity is reduced to an acceptable minimum.

## Major projects

We rely primarily on intelligent technologies such as smart LED lighting, smart metering and energy-efficient heating and cooling systems to help us “burn less”. At the same time, we use electricity generated from renewable energy sources such as wind, hydropower, solar and biomass to “burn clean”. In both of these areas we implemented numerous measures over the course of the reporting year.

- **Energy consumption and monitoring systems:**

In 2015 we met our target of rolling out smart metering technologies in Germany. They were implemented for measuring electricity, gas and water consumption at eight locations in Germany. These systems will be installed nationwide starting in 2016 with completion planned for the end of 2017.

■ **Lighting systems:**

The T5 fluorescent lighting with daylight and occupancy control found in our sites around the world were upgraded with LED lighting, which offers improved efficiency and cost-effectiveness. In 2015, we installed LED lighting at 25 sites in Europe and Asia Pacific. Further LED projects are planned for 2016, with the core initiative being the upgrade of all our mail sorting centers in Germany to LED by 2019.

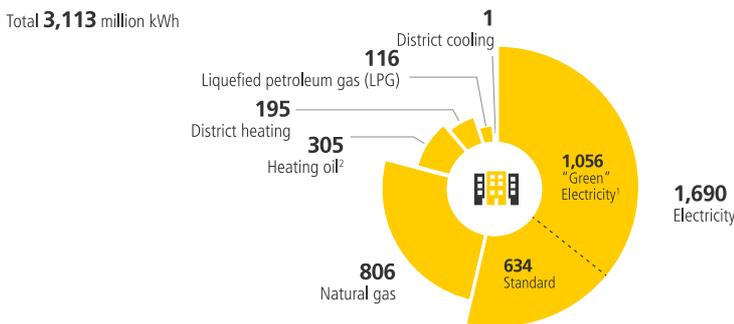
■ **Energy-efficient heating systems:**

In 2015, ten sites in Germany were fitted with combined heating and power units (CHP). 25% of the electricity requirement at these sites will now be generated by the CHP units. In addition, the thermal discharge (waste heat) will generate up to 50% of the hot water needed to heat the operational areas. Similar systems will be installed at all the remaining parcel centers by 2019.

New construction projects are an ideal opportunity to integrate energy efficiency solutions right from the start. These include enhanced office glazing and shading, daylight harvesting, rapid rise doors and dock seals, rainwater harvesting and photovoltaic and thermal installations.

In 2015 we completed construction of a 20,000 square meter facility at our Rugby site in the UK. Several energy efficiency measures were implemented in the new building project, including an energy-efficient lighting system with daylight and occupancy controls and a rainwater harvesting and treatment system. The project earned a rating of “very good” from BREEAM, a sustainability certification program in the UK. Technology assessments were also carried out and pilot projects prepared during the reporting year. These included the evaluation of on-site power storage in batteries and the use of reflective membrane coatings on roofs to improve the carbon and energy efficiency of the cooling/air-conditioning systems.

**Energy use at Deutsche Post DHL Group 2015** ✓ PwC



<sup>1</sup> Including electric vehicles  
<sup>2</sup> Also includes quantities of gasoline and diesel for auxiliary power generators

A multi-year overview can be found in the Annex of this report.

# EMISSIONS ✓ PwC

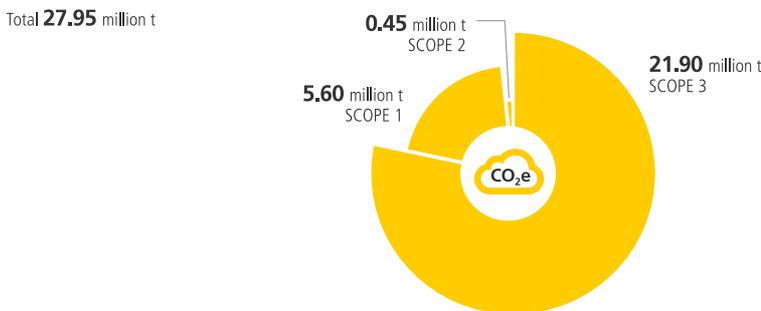
The reporting of our emissions and efficiency improvements is based on recognized and proven calculation methods. Our greenhouse gas emissions are calculated based on the guidelines outlined in the Greenhouse Gas Protocol and are in accordance with both the EN 16258 standard and the requirements of the European Emissions Trading System (EU-ETS).

Our environmental reporting system is not, however, limited to greenhouse gas emissions. We also collect data on local air pollutants. As it happens, the larger part of our carbon efficiency improvement measures also reduces local air pollutants. We were once again recognized in 2015 for our strategic approach to sustainability and the transparency of our greenhouse gas emissions.

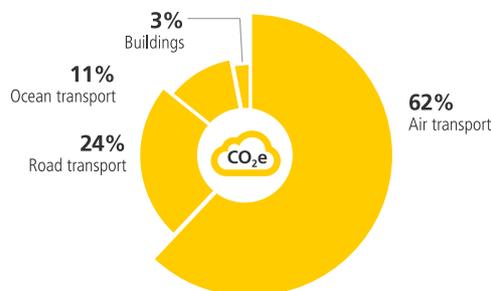
## Development of greenhouse gas emissions

At 27.95 million tonnes of CO<sub>2</sub>e, our greenhouse gas emissions for 2015 decreased just slightly over the previous year. Further details and a multi-year overview can be found in the Annex of this report.

### Group CO<sub>2</sub>e emissions (Scopes 1, 2 and 3) ✓ PwC



### CO<sub>2</sub>e emissions<sup>1</sup> by source ✓ PwC



<sup>1</sup> Scopes 1 to 3

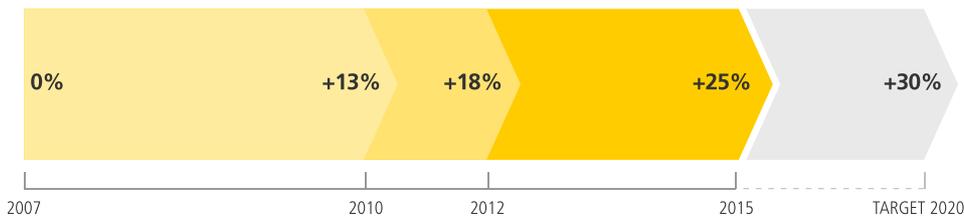
Subcontracted transportation (scope 3) was responsible for the largest share of our emissions in 2015 – 21.9 million tonnes of CO<sub>2</sub>e. This figure includes 0.05 million tonnes of CO<sub>2</sub>e from business travel. The slight decrease in scope 3 emissions is due in large part to decreased tonnage in the air freight business.

To offer one consistent set of financial and greenhouse gas related figures for Deutsche Post DHL Group, we are using the control approach as outlined in Note 2 to the consolidated financial statement.

**Carbon efficiency target met**

In the reporting year, we achieved an overall carbon efficiency improvement of 25% against the 2007 baseline for our business operations. This improvement of one percentage point over the previous year meets our target for 2015. Driving the efficiency gain are our continued efforts in the modernization of our aircraft and the improved utilization of our networks.

**Development of Carbon Efficiency Index** ✓ PwC



Our networks already operate at a high level of efficiency and our fleets and buildings use state-of-the-art technologies. For this reason, tangible efficiency gains will be increasingly difficult to achieve in the future. We do, however, expect to improve our carbon efficiency by at least another one index point in 2016.

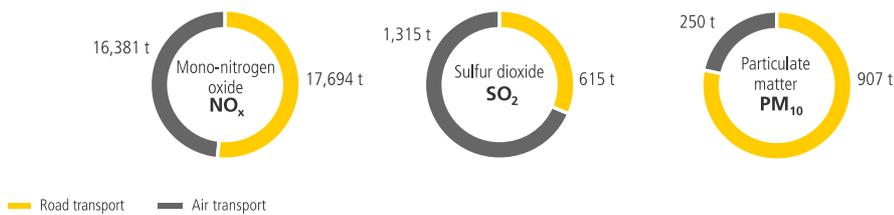
**Local air pollutants** ✓ PwC

Fuel combustion generates not only greenhouse gas emissions but other local air pollutants as well, including mono-nitrogen oxides (NO<sub>x</sub>), sulfur dioxide (SO<sub>2</sub>) and particulate matter (PM<sub>10</sub>). While most of these emissions result from our transport of goods by air, local air pollutants are also produced by our road transport operations. We work to minimize local air pollutants by modernizing our fleet of aircraft and road vehicles and updating the heating systems in our buildings. We are also doing our part to minimize local air pollutants and noise in urban areas by increasing the share of electric delivery vehicles in our fleet and through our increased use of courier bikes.

The emissions produced by our fleet are calculated using recognized calculation methodologies and based on national and international fleet averages.

Our total local air pollutant emissions have increased just slightly over the previous year. This increase is due in large part to the increased utilization of our aircraft. These emissions did not increase in proportion to shipment volumes, however. This is due to the fact that we deploy more modern and emissions-efficient aircraft. As in 2014, road transport emissions continued to decrease slightly over the reporting year. This trend is reflected in the reduction in greenhouse gas emissions across the road transport business.

**Emissions of local air pollutants in 2015<sup>1,2</sup> ✓ PwC**



<sup>1</sup> Emissions data covers our own aircraft and road vehicles only.  
<sup>2</sup> Emissions of local air pollutants from road transport are calculated based on actual consumption data; for emissions from air transport, these calculations are based on route profiles. Emission factors published in the EMEP/EEA Air Pollutant Emission Inventory Guidebook (2013) as well those published by the US Environmental Protection Agency were applied.

Further details and a multi-year overview can be found in the Annex of this report.

## NATURAL RESOURCES

We also take a critical look at our use of natural resources such as wood and water, and are committed to protecting biodiversity. Although these non-carbon factors are not considered significant environmental impacts from our day-to-day business operations – our use of natural resources is relatively low as is our production of waste, and our operations also have very little impact on biodiversity – we report on them nonetheless as they are regarded as material issues by our stakeholders.

### Wood and water

In accordance with our Group Paper Policy, we make sure that only recycled paper products are procured and used within the Group. The only exceptions to this rule are if technical requirements cannot be met with recycled paper, or if recycled paper cannot be procured in the local market.

Our Paper Policy, together with our efforts to reduce the amount of paper we use, helps lower the demand for wood. This in turn helps reduce the consumption of energy and water associated with paper production and helps prevent the deforestation of tropical rainforests, primeval forests and ancient forests under protection. We are also committed to reducing the amount of packaging materials used in our operations and are working closely with experts and our customers to do so. One such project undertaken in the reporting year with a customer and a manufacturer of packaging machines has led to the development of a

system that produces tailor-made cardboard boxes for each individual shipment. This not only saves packaging material but reduces transport costs as well.

Due to the nature of our core business, we do not consume significant quantities of water. Water is mostly used for drinking and sanitation at our facilities and is obtained primarily from municipal suppliers and discharged into public sewage systems. For these reasons water consumption and waste water disposal are not significant environmental aspects for the Group. This is why we do not record and report global water use data. However, we have included data on the water consumption at our facilities in Germany, as provided to the Carbon Disclosure Project (CDP), in the [Annex](#) of this report.

Nevertheless, sites with environmental management systems do work to implement measures to minimize their use of water. And when constructing new buildings, for example, we seek to install water recovery systems and water-efficient sanitary installations where possible.

## Waste and recycling

As a logistics provider, we generate waste from the packaging materials used for transport, such as pallets, plastic shrink wrap and cardboard boxes. Our offices also produce paper waste, something which can often be reduced, if not entirely avoided. Increasingly digitized processes are helping us do this. We are also committed to recycling used materials wherever possible, thereby making our own contribution to the circular economy.

Our aircraft, road vehicles and IT equipment must be maintained and ultimately disposed of. Since we lease most of our vehicles and aircraft, most of the time their maintenance and decommissioning or scrapping is handled by the manufacturer or other third-party providers. A similar approach is also applied to the maintenance and disposal of our IT equipment. Our maintenance and disposal contracts include explicit instructions for our partners to ensure compliance with responsible environmental practices and processes.

We offer customers integrated waste recycling solutions for their logistics flows through [DHL Envirosolutions](#). The approach offers the two-fold benefit of reducing costs while minimizing the environmental footprint of their business activities.

Waste is not a priority issue for the Group and is therefore not managed centrally. Data is collated and audited locally by the environmental management systems on site, allowing for a more effective tracking of measures and their savings effects.

## Biodiversity

Our offices and facilities are predominantly located in areas zoned for urban or industrial use. It is therefore unlikely that our operations or services significantly impact protected areas or endanger protected plant or animal species. Nevertheless, our operations do have an impact on ecosystems and on biodiversity, be it through our greenhouse gas emissions and local air pollutants, the use of natural resources or other operations-related factors, such as

the unintentional spreading of invasive non-native species. For this reason, our environmental management system accounts for biodiversity impacts when designing measures and initiatives.

One such example is our Policy on the Usage of Liquid Biofuels, which accounts for biodiversity in the countries where biofuels are produced. Another example are our terms and conditions, which explicitly prohibit the use of our network to transport protected, threatened or endangered plant and animal species. The Group takes part in anti-wildlife trafficking initiatives, providing employees with workshops and training.

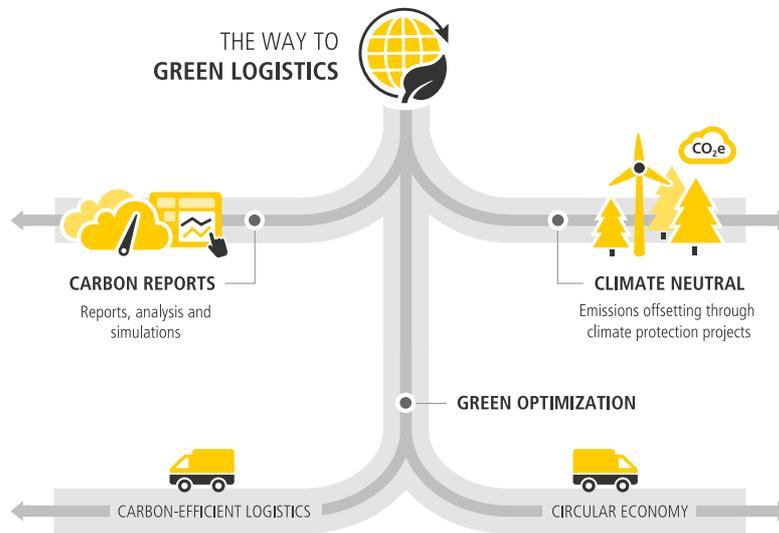
## GREEN PRODUCTS

We offer customers a wide-ranging portfolio of eco-friendly products and develop environmentally sustainable logistics solutions under the brand name DHL GoGreen Solutions. By developing “green” solutions, the Group not only contributes to the environment and society, but creates value for our company as well as for our customers. We offer standardized solutions as well as customized support for environmentally-optimized logistics solutions. Customers can use our standardized products to calculate or offset their emissions:

- **Carbon Reports:** We help customers gain a deeper understanding of the environmental footprint of their transport and logistics-related activities. Customer emissions are measured using the same carbon accounting standards applied to our own emissions calculations. Carbon Report calculation methods undergo a third-party verification process.
- **Climate-neutral products:** Customers can offset their transport and logistics-related emissions through contributions to our climate protection projects. Emissions are measured using the same carbon accounting standards applied to our own emissions calculations. Calculation methodologies as well as the emissions offset undergo a third-party verification process.

Our Green Optimization products help customers reduce greenhouse gas emissions and other environmental impacts through individual, tailor-made logistics solutions.

## Green products offered by Deutsche Post DHL Group

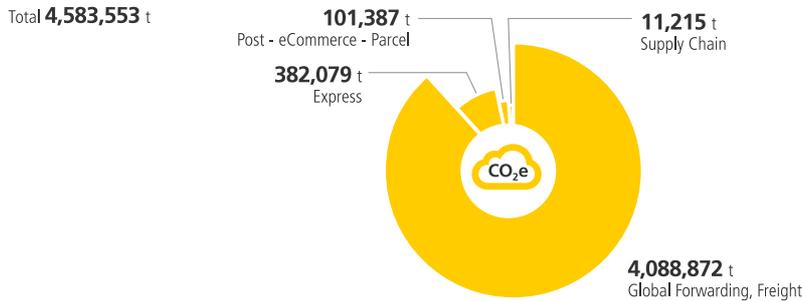


### Standardized products: Carbon Reports

Our Carbon Report products provide customers with detailed information about the greenhouse gas emissions generated by their transport and logistics services. The calculation methods applied are compliant with the GHG Product Standard and undergo an annual third-party verification process. In the reporting year, the annual audit was extended to include additional services in the product family, such as Track & Trace. Customers can choose between the standard report format and the interactive reporting tool called the Carbon Dashboard, which allows customers to simulate efficiency scenarios.

In the reporting year, we recorded a total of 4.6 million tonnes of greenhouse gas emissions through our Carbon Report products. There is growing demand for these products among customers in the Express and Global Forwarding, Freight divisions. Emission transparency is particularly important to our customers in the Global Forwarding, Freight division – as shown by the fact that 20% of the division’s carbon footprint is from emissions recorded through customer reports. A multi-year overview can be found in the Annex section of this report.

## Carbon Reports: CO<sub>2</sub>e emissions reported for customer shipments<sup>1,2</sup>



<sup>1</sup> Calculation methodologies verified by the independent audit organization Société Générale de Surveillance (SGS).  
<sup>2</sup> Based on the GHG Protocol Product Lifecycle Accounting and Reporting standard.

- Achievements in 2015:** The external audit applied to our calculation methods was expanded in the reporting year to include additional Carbon Report products, including the Carbon Report used in our Supply Chain division. The automatic calculation method used in the Global Forwarding, Freight division for applications such as Track & Trace also obtained third-party verification.

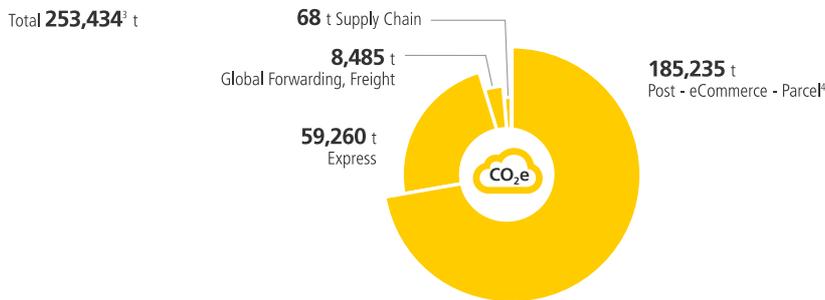
## Standardized products: Climate-neutral products

With our climate-neutral GoGreen products, customers can fully offset transport and logistics-related greenhouse gas emissions. Our calculation methodologies are based on the GHG Protocol Standard and are subject, together with the emissions offset, to annual verification through an independent third-party. 2015 marked the tenth anniversary of our verified climate-neutral services.

We offset the emissions through contributions to climate protection projects in the areas of energy efficiency, renewable energy and reforestation – the majority of these projects are Gold Standard certified, including our own project in Lesotho. The project involves the distribution of efficient stoves that use up to 80% less firewood. The collaboration with Fairtrade International was launched in the reporting year. The new Fairtrade Climate Standard will be applied to our project in Lesotho starting in 2016, making us one of the first companies to receive this carbon credit certification.

We transported more than two billion climate-neutral shipments in the reporting year. These shipments accounted for 10% of volumes in Post - eCommerce - Parcel division and 3% of Express volumes worldwide. While demand for GoGreen mail products decreased slightly, we did see significant growth in the use of climate-neutral express and parcel products. As a result, some 253,000 tonnes of CO<sub>2</sub>e were offset in the reporting year. A multi-year overview can be found in the Annex section of this report.

## Climante-neutral products: Customer emissions offset<sup>1,2</sup>

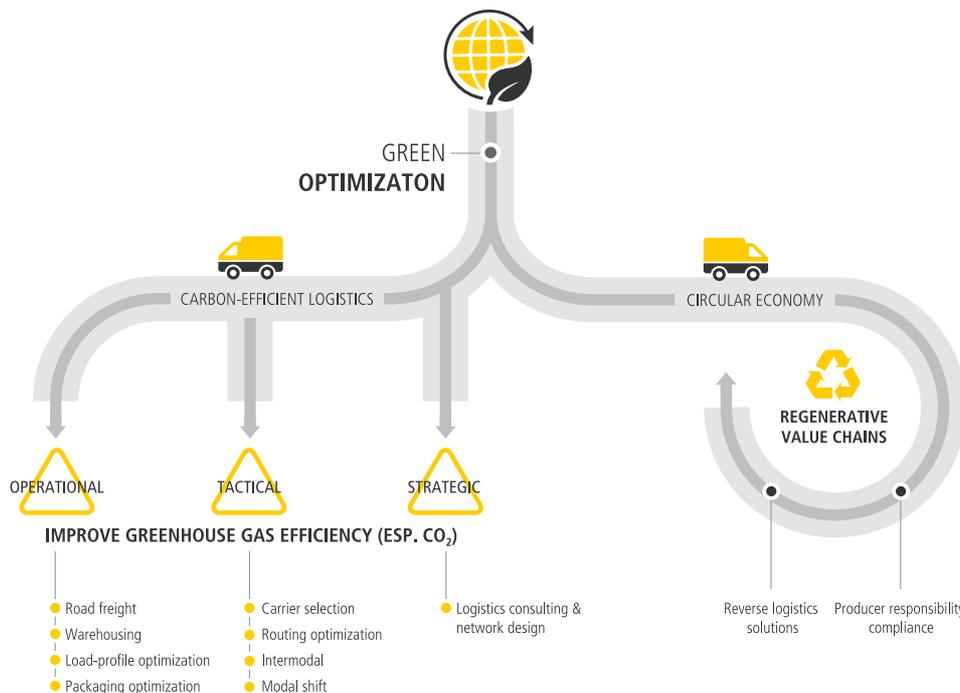


<sup>1</sup> Based on the GHG Protocol Product Lifecycle Accounting and Reporting standard.  
<sup>2</sup> Data audited by SGS (closing March 2016).  
<sup>3</sup> Includes 386 tonnes of CO<sub>2</sub>e from Corporate Center/Other.  
<sup>4</sup> In addition to shipment-related emissions, data also includes emissions from passenger transportation (Postbus).

## Tailor-made solutions: Green Optimization

With Green Optimization, the most innovative product in our GoGreen portfolio, we offer customized logistics solutions by analyzing every link of the customer’s supply chain. We uncover opportunities for optimization that help reduce greenhouse gas emissions and minimize the environmental impacts of their logistics processes, enabling a circular economy.

## Eco-friendly products: Green Optimization



## Reducing greenhouse gas emissions

We review the customer's entire logistics supply chain – from road freight and warehousing to network design and carrier management – to identify potential environmental and economic efficiency levers. The results are tailored strategies for creating more efficient and environmentally sustainable logistics. Green Optimization focuses on both green efficiency gains as well as savings potentials.

- Project example: In 2015 we launched the “GoGreen Regional” pilot, a concept for reinvesting earnings directly into local environmental projects. As agreed with selected customers in Duisburg and Essen, the more items they ship with our GoGreen services, the more we will invest in our electric delivery fleet in their area. We plan to expand GoGreen Regional to other metropolitan areas in Germany over the course of 2016.

## Enabling the circular economy

With our services, we apply circular economy principles to help customers achieve environmental performance improvements that go beyond the reduction of greenhouse gas emissions. The focus is on optimizing the consumption of natural resources and avoiding waste. Services include reverse logistics, waste management and extended producer responsibility. These are available through our [DHL Envirosolutions](#) offering, for example.

Our company became a member of the Ellen MacArthur Foundation's “Circular Economy 100” initiative in recognition of our efforts in this area. The circular economy is also included as one of the focus trends in the DHL Trend Report “[Fair and Responsible Logistics](#)”, published in 2015.



## INTERVIEW

**JÜRGEN GERDES**

Board Member for Post - eCommerce - Parcel

»There's no doubt that logistics has an impact on the environment. But here again, as the market and innovation leader, we can, want and must be a very clear role model. And we're doing just that.«

## INTERVIEW WITH JÜRGEN GERDES

Jürgen Gerdes is a Member of the Board of Management and head of the Post - eCommerce - Parcel division.

In an interview, he spotlights the dedication shown by employees in the Post - eCommerce - Parcel division, explains what his division is doing to drive employee motivation, and points to developments he believes will shape the future of the postal and logistics sector.

**The collective bargaining dispute in the Post - eCommerce - Parcel division had a significant impact on the year 2015. What are your most important take-aways from that experience?**

One thing that really left a lasting impression was the unbelievable dedication and commitment of the vast majority of our workforce that did not take part in the labor dispute. After all, in a country like Germany, at the end of the day the mail must go out. And I say that with all due respect to collective bargaining disputes, which ultimately can have an effect on a company's operations. But residents and businesses put their trust in our service. We were only able to maintain this service – with certain limitations of course – because thousands of willing employees multiplied their efforts. I have to say, at the end of 2015 – an admittedly difficult year – I was more convinced than ever that our organization is a strong one.

**For a service provider with employees who come into direct contact with customers millions of times a day, improving employee relations and satisfaction are essential – especially during and after a strike. What do you do to improve motivation and loyalty?**

Generally speaking, our employees are highly satisfied and motivated. We know that because we ask them on a regular basis. And that doesn't surprise me. If you know even a little about the parcel and logistics industry, then you know that working conditions at Deutsche Post DHL Group are by far the best in the business, regardless of whether you are talking about equipment, collective agreement conditions, transition to retirement or anything else for that matter. We came out on top of an independent review of precisely these conditions. That said, it goes without saying that we never stop trying to get better. That begins with the communication. For example, we have offered Deutsche Post TV nationwide at our German facilities in order to deliver more up-to-date and comprehensive information to our operations personnel, who do not sit in an office at a computer. Also, as in past years, I will be going on several tours throughout Germany in order to speak to and take questions from some 20,000 staff members in town hall meetings. We are also preparing to take a number of actions as a result of our 2015 employee opinion survey. And we have started to send our entire staff to two-day training sessions to become "PeP Experts". I am absolutely convinced that all of these efforts will help continue to strengthen staff loyalty within our company.

**The mail and parcel market is changing rapidly. What impact does this have on employment at Deutsche Post DHL Group?**

It is true that things are getting more complex in the Post - eCommerce - Parcel division – and, by the way, more and more international. The number of new business units is on the rise. This has led many young people, who might not have been considering the broad field of logistics, to see us as a very attractive employer. But that also means that we have to offer equally attractive employment opportunities. And that's what we're doing. Right now we have 18 apprenticeship and 12 degree programs, including highly appealing dual degree opportunities that provide an ideal blend of theory and practice. There are many business and IT traineeships, and we make executive MBA programs possible. And, of course, we can't forget our "work horses" who drive our vital operations engine. In fact, last year we again increased the number of traineeships to over 2,000, many of which are for courier, express and postal services specialists.

**A productive innovation culture is essential for companies in the postal and logistics sector. What developments do you feel are leading the way to the future of transport and the delivery of goods and information?**

Deutsche Post has a strong tradition as an innovation pioneer. That's why we know full well that we cannot simply follow the defining megatrends of our times. Instead, we aim to study them closely in order to anticipate and help shape them. For example, if you look at the demographics in our country or various aspects of work and life in our society, it becomes clear that we can meet arising needs by taking an extremely customer-centric approach and delivering innovative services precisely when they are needed. Our online services such as Allyouneed and AllyouneedFresh, preferred time-definite delivery, Packstation and car drop delivery services, etc. etc. etc. are great examples of this. Another very important area is

online communication, where people are demanding more and more security and convenience. We've taken the lead here as well, for example with our E-Post platform and its broad service portfolio as well as our SIMSme instant messenger. And, of course, we are always looking into the future. For example, we've done extensive testing of our Parcelcopter.

**E-commerce is a significant driver of stability and growth for Deutsche Post. What are you doing to combat the environmental impact of the expanding transport business?**

There's no doubt that logistics has an impact on the environment. But here again, as the market and innovation leader, we can, want and must be a very clear role model. And we're doing just that. For instance, our internally developed StreetScooter delivery vehicle will set the standard for e-mobility for some time to come. But that's just one of many examples. Environmental aspects guide all of our research and development activities. Take, for example, the Paketkasten, a mailbox for parcels, which is one of our latest innovations. So far the general public has been slow to recognize the environmental benefit of this service. Namely, that when you can guarantee the delivery of a parcel, regardless of whether the recipient is at home or not, you avoid a second or perhaps even a third attempt to deliver to that address and spare the recipient a drive to the post office to pick it up. When you look at the big picture and consider the millions of parcels that are delivered every day, you see that even these things – or perhaps especially these things – can make a huge difference for the better.

# ANNEX

## About this report

The Corporate Responsibility Report 2015 (CR Report), which also serves as our Advanced Level Communication on Progress (COP) for the UN Global Compact, was prepared in accordance with the Global Reporting Initiative's G4 Guidelines for Sustainability Reporting at the Core Level. Report content on material topics was reviewed by an independent third party. Audited content has been marked accordingly.

The CR Report, which covers the period from January 1 until December 31, 2015, is published annually and appears concurrently with the Group's Annual Report. The information in the report applies to the consolidated group in 2015 as described in Note 2 of the [consolidated financial statements](#). A complete list of the Group's shareholdings can be found in the Investors section of our website. Finance figures contained in this report reflect those found in the [Annual Report 2015](#).

The CR Report 2015 was published March 9, 2016 online as well as in PDF format in both German and English.

## Data measurement techniques, bases of calculations

- Data measurement techniques and the bases of calculations for data, including assumptions and techniques underlying estimations, are accounted for at the appropriate sections herein.
- Changes within this parameter over the previous year are duly noted and the effects explained. Adjustments to prior-year figures are marked accordingly.
- Greenhouse gas emissions were calculated in accordance with the Greenhouse Gas Protocol standard. Scope 2 emissions are reported in accordance with the "Scope 2 Guidance" using both the site-based and market-based methods. Unless explicitly stated otherwise, reported data is based on the latter method. Our data is also prepared in accordance with the requirements of the European Emissions Trading System (EU-ETS) and the EN 16258 and ISO 14064 standards.

## Independent third-party review

- This report was reviewed by the audit firm PricewaterhouseCoopers (PwC). Content marked with the PwC icon  PwC has been reviewed. Information regarding the scope and outcome of the audit can be found in the [Assurance Report](#).
- The following non-financial indicators were verified with reasonable assurance by PwC as part of the [independent audit of the Management Report](#): Accident statistics (Group), sickness rate (Group), workforce structure, employee turnover (Group).

- Our greenhouse gas emissions calculations were verified in an independent audit in accordance with ISAE 3410 with reasonable assurance as part of the PwC audit of the Management Report.
- Carbon offset data is verified annually by the audit firm Société Générale de Surveillance (SGS).

## Explanation of terms used

We use the term “employees” to refer to our workforce. Unless otherwise noted, “headcount” is used to refer to our employees in quantitative terms; unless noted otherwise, this data is as of year-end (December 31, 2015).

## Previous reports

The Group has been reporting on the environment, HR matters, sustainability and corporate responsibility since 2003. The CR Report 2014 was published March 11, 2015. All of these reports can be found on the Deutsche Post DHL Group website [archive](#).

## Additional publications

Our [Corporate Responsibility Brochure](#) provides an overview of the Group’s main CR-related activities. The brochure can be downloaded in PDF format from the corporate website; a print version of the brochure call also be ordered from the same site.

## Editorial responsibility

Deutsche Post AG – Headquarters – Corporate Department for Corporate Communications and Responsibility, 53250 Bonn / Germany

## Contact

Your opinion is important to us. Please feel free to [mail us](#) your questions and suggestions.

## Online design & development

[nexxar GmbH, Vienna](#)

## Employees

### Workforce structure

#### Number of employees at year end ✓ PwC

	2012	2013 <sup>1</sup>	2014	2015	+/- % vs. 2014
<b>Headcount</b>	<b>473,626</b>	<b>479,690</b>	<b>488,824</b>	<b>497,745</b>	1.8
Full-time equivalents <sup>2</sup>	428,129	434,974	443,784	450,508	1.5
<b>By region</b>					
Europe	316,331	316,071	322,440	326,979	1.4
of which Germany	201,425	203,607	205,731	208,740	1.5
Americas	75,243	78,728	76,230	78,027	2.4
Asia Pacific	64,888	67,473	72,121	73,843	2.4
Other regions	17,164	17,418	18,033	18,896	4.8
<b>By division</b>					
Post - eCommerce - Parcel	176,871	197,545	200,868	206,686	2.9
Express	92,862	75,490	79,896	87,453	9.5
Global Forwarding, Freight	45,128	44,903	47,079	44,737	-5.0
Supply Chain	145,293	148,565	148,329	147,650	-0.5
Corporate Center/Other	13,472	13,187	12,652	11,219	-11.3

<sup>1</sup> Adjusted

<sup>2</sup> Excluding apprentices/trainees

#### Number of employees (yearly average) ✓ PwC

	2012	2013	2014	2015	+/- % vs. 2014
<b>Headcount</b>	<b>472,321</b>	<b>478,903</b>	<b>484,025</b>	<b>492,865</b>	1.8
Hourly workers and salaried employees	424,950	433,647	440,973	451,882	2.5
Civil servants	42,461	40,321	37,963	35,669	-6.0
Apprentices and trainees	4,910	4,935	5,089	5,314	4.4
<b>Full-time equivalents</b>	<b>428,287</b>	<b>435,218</b>	<b>440,809</b>	<b>449,910</b>	2.1

## Employee satisfaction

### Staff costs at year end (in €m) ✓ PwC

	2012 <sup>1</sup>	2013 <sup>1</sup>	2014 <sup>1</sup>	2015 <sup>1</sup>	+/- % vs. 2014
<b>Staff costs<sup>1</sup></b>	<b>17,770</b>	<b>17,776</b>	<b>18,189</b>	<b>19,640</b>	8.0
Wages, salaries and compensation	14,179	14,300	14,583	15,723	7.8
Social security contributions	2,094	2,110	2,164	2,300	6.3
Retirement benefit expenses	984	883	965	1,031	6.8
Other employee benefits	513	483	477	586	23.1

<sup>1</sup> According to Note 14, Notes to consolidated financial statements in the Annual Report

### Results of Employee Opinion Survey (in %) ✓ PwC

	2015
<b>Participation</b>	<b>73</b>
<b>Approval rating</b>	
Customer Centricity & Quality	79
Employee Engagement	73
Active Leadership <sup>1</sup>	73
Future & Strategy	69
Communication	74
Teamwork	83
Learning & Development	79
Job Fulfillment & Workplace	77
Continuous Improvement	65
Group Responsibility	75
Performance Enablement	80

<sup>1</sup> Relevant for executive bonus payments

## Year-on-year results of Employee Opinion Survey (in %)

	2012	2013	2014	2015 <sup>1</sup>
<b>Participation</b>	<b>80</b>	<b>77</b>	<b>77</b>	<b>–</b>
<b>Approval rating</b>				
Customer Promise	81	82	82	–
Employee Engagement	72	72	72	72
Active Leadership <sup>2</sup>	69	70	71	72
Strategy	72	73	74	–
Communication	69	70	71	–
Learning & Development	70	70	71	–
Cooperation	79	79	79	–
Living First Choice	66	67	68	–
Corporate Social Responsibility	70	71	72	–
EOS Follow-up	60	61	62	–
Working Conditions	77	78	79	–

<sup>1</sup> Due to a change in the questionnaire the indicators for 2015 are not directly comparable to the previous year.

<sup>2</sup> Relevant for executive bonus payments

## Diversity management

### Employees by gender at year end (in %)

	2012 <sup>1</sup>	2013 <sup>1</sup>	2014	2015
<b>Female employees</b>	<b>36.8</b>	<b>35.8</b>	<b>35.9</b>	<b>35.5</b>
<b>Male employees</b>	<b>63.2</b>	<b>64.2</b>	<b>64.1</b>	<b>64.5</b>
<b>Female employees by region</b>				
Europe	40.1	39.6	39.3	38.7
of which Germany	45.7	45.4	45.2	44.3
Americas	30.8	28.1	30.2	32.0
Asia Pacific	29.8	29.7	29.7	28.8
Other regions	21.0	21.5	23.5	22.3

<sup>1</sup> Adjusted

### Women in management positions at year end (in %) ✓ PwC

	2012	2013	2014	2015
Board of Management <sup>1</sup>	14.3	14.3	14.3	14.3
Supervisory Board <sup>2</sup>	30.0	30.0	35.0	35.0
Upper and middle management	18.5	19.6	19.3	20.7
of which in Germany	–	–	21.1	20.6

<sup>1</sup> 7 members in all. CEO Dr. Frank Appel assumed the Management Board position for Global Forward, Freight in personal union effective April 27, 2015

<sup>2</sup> 20 members in all: 10 shareholder representatives, 10 employee representatives

## HR development and planning

### Employee turnover (in %)<sup>1</sup> ✓ PwC

	2012 <sup>1</sup>	2013 <sup>1</sup>	2014 <sup>2</sup>	2015
<b>Group</b>	<b>10.6</b>	<b>12.1</b>	<b>12.6</b>	<b>13.6</b>
planned	5.6	5.8	6.1	6.6
unplanned	5.0	6.3	6.6	7.0
<b>By region</b>				
Europe	4.7	6.3	6.9	8.0
of which Germany	2.7	2.5	3.0	3.4
Americas	28.5	30.1	29.5	31.1
Asia Pacific	20.8	20.1	19.6	19.2
Other regions	9.9	14.0	15.4	15.4

<sup>1</sup> Based on survey of all organizational units. 2015 figures cover 97% of employees (headcount); 2014: 95%, 2013: 88%, 2012: 77%

<sup>2</sup> Adjusted

### Management placements at year end (in %)

	2012 <sup>1</sup>	2013 <sup>1</sup>	2014 <sup>1</sup>	2015
<b>Group</b>	<b>85.9</b>	<b>87.4</b>	<b>86.9</b>	<b>81.1</b>

<sup>1</sup> Adjusted

### Number of apprentices and trainees (yearly average)

	2012	2013	2014	2015	+/- % vs. 2014
<b>Headcount</b>	<b>4,910</b>	<b>4,935</b>	<b>5,089</b>	<b>5,314</b>	4.4
Germany	3,953	4,060	4,066	4,006	-1.5

### Number of training days<sup>1</sup> ✓ PwC

	2012	2013	2014	2015 <sup>2</sup>	+/- % vs. 2014
Training days per employee	1.6	1.4	1.5	1.4	-6.7

<sup>1</sup> Based on survey of all organizational units. 2015 figures cover 78% of employees (headcount); 2014: 76%, 2013: 69%, 2012: 67%

<sup>2</sup> Includes online trainings

## Occupational safety & health

### Sickness rate (in %)<sup>1</sup> ✓ PwC

	2012	2013	2014	2015
<b>Group</b>	<b>5.2</b>	<b>4.8</b>	<b>4.9</b>	<b>5.1</b>

<sup>1</sup> Based on survey of all organizational units. 2015 figures cover 97% of employees (headcount); 2014: 94%, 2013: 90%, 2012: 73%

## Work place accidents

We made significant strides in improving the transparency of our workplace accident data in 2015. For the first time ever we are now able to report complete accident statistics for the entire Group. The data collection methods and reporting formats across the Group were harmonized and aligned with international standards. The positive development in our accident numbers are due in large part to the improved coverage rate.

Our workforce carries out a wide range of tasks and duties, a fact that is reflected in our workplace incident statistics. The risk of accident is the higher among employees in our Post - eCommerce - Parcel division, for example, than in our logistics divisions (Express, Global Forwarding, Freight and Supply Chain).

The 2015 workplace accident data were part of the external audit. 2013 and 2014 data were not included in the review.

✓ PwC

### Work place accidents<sup>1</sup>

	2013	2014	✓ PwC 2015 <sup>2</sup>
<b>LTIFR (incidents per 200,000 hours worked)</b>	<b>4.7</b>	<b>4.2</b>	<b>4.0</b>
<b>By region</b>			
Europe	n. a.	n. a.	6.3
of which Germany	n. a.	n. a.	10.2
Americas	n. a.	n. a.	1.4
Asia Pacific	n. a.	n. a.	0.3
Other regions	n. a.	n. a.	0.8
<b>By division</b>			
Post - eCommerce - Parcel	10.8	10.1	10.0
of which PeP not incl. mail and parcel last mile delivery Deutsche Post AG	n. a.	n. a.	4.0
Express	4.0	3.5	2.8
Global Forwarding, Freight	1.9	1.0	0.9
Supply Chain	0.8	0.7	0.8
Corporate Center/Other	0.6	0.5	0.5
<b>Working days lost per accident</b>	<b>14.4</b>	<b>14.2</b>	<b>15.6</b>
<b>Fatalities resulting from workplace accidents</b>	<b>n. a.</b>	<b>4</b>	<b>6</b>
Deutsche Post AG	2	1	2

<sup>1</sup> Coverage rates – 2013: 83%; 2014: 92%; 2015: 96%

<sup>2</sup> Temporary workers were also included for the first time in our workplace incident statistics with a coverage rate of 65%

## Environment

### Aircraft

#### Jet aircraft - by noise standards

	2010	2011	2012	2013	2014	2015	+/- % vs. 2014
<b>Total aircraft</b>	<b>147</b>	<b>155</b>	<b>168</b>	<b>170</b>	<b>176</b>	<b>182</b>	3.4
Chapter 4	69	80	100	110	117	122	4.3
Chapter 3	75	73	67	59	59	60	1.7
Equipped with hush kits	20	17	15	9	3	0	-
No classification	3	2	1	1	0	0	-

#### Jet aircraft - by nitrous oxide (NOx) emissions standards

	2010	2011	2012	2013	2014	2015	+/- % vs. 2014
<b>Total aircraft</b>	<b>147</b>	<b>155</b>	<b>168</b>	<b>170</b>	<b>176</b>	<b>182</b>	3.4
CAEP/6	49	59	71	80	84	90	7.1
CAEP/4	36	36	33	32	39	46	17.9
CAEP/2	34	34	39	39	39	34	-12.8
No classification	28	26	25	19	14	12	-14.3

### Vehicles

#### Road transport: Vehicles by Euronorm class 2015

	Euro 6	Euro 5 + EEV	Euro 4	Euro 3	Euro 2
<b>Total</b>	<b>4,592</b>	<b>43,640</b>	<b>17,205</b>	<b>829</b>	<b>18</b>
Trucks	2,094	4,972	564	281	16
Vans	265	30,802	16,334	538	2
Cars	2,233	7,866	307	10	0

## Road transport: Efficiency measures vehicles

	2014			2015		
	Total	DPDHL Group fleet	Sub-contractor fleet	Total	DPDHL Group fleet	Sub-contractor fleet
<b>Total</b>	<b>19,019</b>	<b>17,599</b>	<b>1,420</b>	<b>22,508</b>	<b>20,939</b>	<b>1,569</b>
<b>Number of alternative drive systems</b>	<b>3,349</b>	<b>1,976</b>	<b>1,373</b>	<b>4,418</b>	<b>2,886</b>	<b>1,532</b>
Electric & fuel cell	406	346	60	937	881	56
Hybrid	326	325	1	372	372	0
Liquid biofuels	1,026	0	1,026	1,187	0	1,187
Compressed natural gas (CNG)	815	767	36	915	864	40
Biogas			12			11
Liquefied petroleum gas (LPG)	363	144	219	403	184	219
Ethanol	222	221	0	420	419	0
Bioethanol			1			1
Dual fuel	191	173	18	184	166	18
<b>Other Efficiency-enhancing technologies</b>	<b>15,670</b>	<b>15,623</b>	<b>47</b>	<b>18,090</b>	<b>18,053</b>	<b>37</b>
Advanced aerodynamics	1,701	1,673	28	1,907	1,880	27
Eco-chiptuning & speed limiting systems	6,768	6,768	0	6,963	6,963	0
Telematics	6,874	6,864	10	8,942	8,932	10
Lightweight design	276	267	9	278	278	0
Other	51	51	0	0	0	0

## Energy and fuel use

### Buildings: Energy use (million kWh) ✓ PwC

	2012	2013	2014	2015
<b>Total</b>	<b>3,127</b>	<b>3,393</b>	<b>3,247</b>	<b>3,113</b>
Electricity	1,737	1,824	1,697	1,690
of which 100% "green" electricity <sup>1</sup>	745	1,056	1,040	1,056
Standard electricity	992	768	657	634
Natural gas	864	952	951	806
Heating oil <sup>2</sup>	242	248	308	305
District heating	185	202	189	195
District cooling	8	8	8	1
Liquefied petroleum gas (LPG)	91	159	94	116

<sup>1</sup> Includes electric vehicles

<sup>2</sup> Also includes quantities of gasoline and diesel for auxiliary power generators

## Fuel use for transportation<sup>1</sup> ✓ PwC

		2011	2012	2013	2014 <sup>2</sup>	2015
<b>Air transport (kerosene)</b>	<b>million kg</b>	<b>1,019.1</b>	<b>1,059.0</b>	<b>1,151.0</b>	<b>1,188.0</b>	<b>1,312.8</b>
<b>Road transport (total liquid road fuels)</b>	<b>million liters</b>	<b>476.4</b>	<b>472.3</b>	<b>450.2</b>	<b>447.6</b>	<b>449.1</b>
Gasoline		37.4	37.0	19.3	20.6	21.0
Biodiesel		1.5	1.8	0.7	1.0	1.4
Bioethanol		1.2	0.3	0.0	0.0	0.1
Diesel		435.3	432.3	429.6	425.1	426.1
Liquefied petroleum gas (LPG)	million kg	1.0	0.9	0.6	0.9	0.5
<b>Road transport (total gaseous road fuels)</b>	<b>million kg</b>	<b>1.4</b>	<b>2.2</b>	<b>3.2</b>	<b>4.4</b>	<b>4.9</b>
Biogas		0.2	0.4	0.2	0.2	0.2
Compressed natural gas (CNG)		1.2	1.8	2.9	4.2	4.7

1 Covers consumption data for our own aircraft and vehicles only

2 Adjusted

## Greenhouse gas emissions

### CO<sub>2</sub>e emissions Group-wide (million tonnes) ✓ PwC

	2013	2014	2015
<b>Total</b>	<b>28.31</b>	<b>29.03</b>	<b>27.95</b>
Scope 1	5.13	5.22	5.60
Scope 2	0.49	0.44	0.45
Scope 3	22.69	23.36	21.90

### CO<sub>2</sub>e emissions by division (million tonnes) ✓ PwC

	2013				2014 <sup>1</sup>				2015			
	Total	Scope 1	Scope 2	Scope 3	Total	Scope 1	Scope 2	Scope 3	Total	Scope 1	Scope 2	Scope 3
<b>Total<sup>2</sup></b>	<b>28.31</b>	<b>5.13</b>	<b>0.49</b>	<b>22.69</b>	<b>29.03</b>	<b>5.22</b>	<b>0.44</b>	<b>23.36</b>	<b>27.95</b>	<b>5.60</b>	<b>0.45</b>	<b>21.90</b>
Post - eCommerce - Parcel	1.56	0.49	0.07	0.99	1.60	0.48	0.08	1.04	1.67	0.48	0.08	1.11
Express	8.18	3.77	0.13	4.28	8.66	3.89	0.12	4.64	9.24	4.29	0.13	4.82
Global Forwarding, Freight	16.69	0.16	0.05	16.47	16.47	0.16	0.05	16.26	14.77	0.14	0.05	14.58
Supply Chain	2.18	0.68	0.20	1.31	2.56	0.68	0.16	1.72	2.57	0.67	0.15	1.75

1 Adjusted

2 After consolidation of scope 3 emissions from intercompany business activities, including Corporate Center/Other

**Carbon efficiency (index points)<sup>1</sup> ✓ PwC**

	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Group</b>	<b>0</b>	<b>2</b>	<b>7</b>	<b>13</b>	<b>16</b>	<b>18</b>	<b>20</b>	<b>24</b>	<b>25</b>
Post - eCommerce - Parcel <sup>2</sup>	0	17	15	18	24	24	25	26	26
Express <sup>3</sup>	0	8	20	26	28	30	34	35	37
Global Forwarding, Freight <sup>4</sup>	0	0	2	8	9	10	12	17	17
Supply Chain <sup>5</sup>	0	-3	-5	10	19	26	23	27	32

- 1 Previous years' figures have been adjusted due to a correction in the Global Forwarding, Freight division's external reference data.
- 2 Main reference base: CO<sub>2</sub>e per liter (physical volume)
- 3 Main reference base: CO<sub>2</sub>e per tonne-km
- 4 Main reference base: CO<sub>2</sub>e per tonne-km or TEU (20-foot equivalent units)-km
- 5 Main reference base: CO<sub>2</sub>e per square meter of warehouse space and CO<sub>2</sub>e by revenue from transportation services after adjusting for inflation

**GHG Protocol Scope 2 Guidance**

Our scope 2 emissions, which are found in the Annex to this report, are calculated in accordance with the “Scope 2 Guidance” using both the site-based and market-based methods. Unless explicitly stated otherwise, reported data is based on the latter method. Our data is also prepared in accordance with the requirements of the European Emissions Trading System (EU-ETS) and the EN 16258 and ISO 14064 standards.

**Scope 2 CO<sub>2</sub>e emissions in 2015 (million tonnes) ✓ PwC**

	Scope 2 market-based method	Scope 2 location-based method
<b>Group<sup>1</sup></b>	<b>0.45</b>	<b>0.90</b>
Post - eCommerce - Parcel	0.08	0.26
Express	0.13	0.19
Global Forwarding, Freight	0.05	0.07
Supply Chain	0.15	0.32

1 Includes Corporate Center/Other

**Scope 3 CO<sub>2</sub>e emissions (million tonnes) by GHG category**

Category	2014	2015	Activities included/ excluded	Calculation Methodology	Reviewed by PwC
1. Purchased goods and services	2.7	2.5	This category includes emissions from the production of goods and services purchased by us and not otherwise included in categories 2-8.	Emissions in this category were calculated using financial data and environmentally-extended input output (EEIO) models taken from the DEFRA reporting guidance.	✓ PwC
2. Capital goods	0.6	0.7	This category includes emissions from the production of capital goods acquired in the reporting year.	Emissions for all additions to our balance sheet were calculated using financial data and environmentally-extended input output (EEIO) models taken from the DEFRA reporting guidance.	✓ PwC
3. Fuel- and energy-related activities (not included in scope 1 or scope 2)	1.1	1.3	This category includes emissions from the extraction, production and transportation of fuels and energy we purchased and reported in scopes 1 and 2. It also includes transmission and distribution losses for the generation of electricity, district heating and cooling.	Emissions were calculated using primary data for fuel and energy use collected from all DPDHL entities globally and emission factors provided in the IPCC Guidelines, the International Energy Agency, the EN 16258 standard or the DEFRA reporting guidance.	✓ PwC
4. Upstream transportation and distribution	27.8	26.6			✓ PwC
of which transportation and distribution	22.9	21.9	This category includes emissions from transportation services purchased by us which are not already reported in scopes 1 and 2. It covers our global operations across all business units.	Emissions were calculated using data from operational and business intelligence systems. We used emission factors from NTM for air transport, the Clean Cargo Working Group (CCWG) for ocean transport and the Handbook Emission Factors for Road Transport (HBEFA) for road transport.	✓ PwC
fuel- and energy-related activities for upstream transportation and distribution	4.9	4.7	This category includes emissions for fuel- and energy-related activities of our subcontracted transportation partners. Exceeding the minimum requirements of this category, we report on these emissions to fulfill the requirements of the EN 16258 standard and better compare the total GHG efficiency of own and subcontracted transports.	As value chain partners usually do not disclose fuel types used, emissions were calculated assuming most common fuel types (Air transports: Jet A-1; Road transports: Diesel; Maritime transports: HFO) and emission factors provided in the EN 16258 standard.	✓ PwC

Category	2014	2015	Activities included/ excluded	Calculation Methodology	Reviewed by PwC
5. Waste generated in operations	not reported	not reported	This category is currently not reported, as – due to the nature of our business – limited quantitative and management relevance are expected.		
6. Business travel	0.05	0.05	This category includes emissions from business travel from our global workforce via airplane. Emissions from business travel using company cars are included in our scopes 1 and 2. Currently, we do not report on emissions from business travel via buses, trains, private or rental cars as sufficient reliable information to measure the emission source is not available.	Due to limited data availability for 2013, we extrapolated data reported by our main travel agencies from previous years.	✓ PwC
7. Employee commuting	0.5	0.7	This category includes emissions from employee commuting for our global workforce in vehicles not already included in scopes 1 and 2.	Emissions for employee commuting were calculated using global headcount data and national statistics.	✓ PwC
8. Upstream leased assets	not applicable	not applicable	This category is not applicable. The operation of leased assets is included in our scopes 1 and 2.		
9. Downstream transportation and distribution	not reported	not reported	This category is currently not reported. All third party transport services purchased by us are included in category 4. Cases where transport services are performed by third parties which are not purchased/ controlled by us were estimated and excluded due to limited quantitative and management relevance.		
10. Processing of sold products	not applicable	not applicable	This category is not applicable to our business, because we do not offer intermediate products for further processing.		
11. Use of sold products	not applicable	not applicable	This category is not applicable to our business as a provider of services.		
12. End-of-life treatment of sold products	not reported	not reported	This category is currently not reported, as – due to the nature of our business – limited quantitative and management relevance are expected.		
13. Downstream leased assets	not reported	not reported	This category is currently not reported. Emissions were estimated and excluded due to limited quantitative and management relevance.		

Category	2014	2015	Activities included/ excluded	Calculation Methodology	Reviewed by PwC
14. Franchises	not reported	not reported	This category is currently not reported. Emissions were estimated and excluded due to limited quantitative and management relevance.		
15. Investments	not applicable	not applicable	This category is not applicable to our business.		

## Local air pollutants

### Local air pollutants (in tonnes)<sup>1,2</sup> ✓ PwC

	2013	2014	2015
<b>Mono-nitrogen oxide (NO<sub>x</sub>)</b>	<b>32,518</b>	<b>31,965</b>	<b>34,075</b>
Road transport	18,178	17,625	17,694
Air transport	14,340	14,340	16,381
<b>Sulfur dioxide (SO<sub>2</sub>)</b>	<b>1,825</b>	<b>1,771</b>	<b>1,930</b>
Road transport	675	621	615
Air transport	1,150	1,150	1,315
<b>Particulate matter (PM<sub>10</sub>)</b>	<b>1,195</b>	<b>1,129</b>	<b>1,157</b>
Road transport	976	911	907
Air transport	219	218	250

1 Emissions data covers our own aircraft and road vehicles only.

2 Emissions of local air pollutants from road transport are calculated based on actual consumption data; for emissions from air transport, these calculations are based on route profiles. Emission factors published in the EMEP/EEA Air Pollutant Emission Inventory Guidebook (2013) as well as those published by the US Environmental Protection Agency were applied.

## Water consumption

### Water use at facilities in Germany (million m<sup>3</sup>)

	2012	2013	2014
Water consumption	1,102	1,363	1,097

## Green products

### Carbon Report: Reported CO<sub>2</sub>e emissions for customer shipments by division<sup>1</sup>

	CO <sub>2</sub> IN TONNES		CO <sub>2</sub> e <sup>2</sup> IN TONNES	
	2012	2013	2014	2015
<b>Total</b>	<b>1,278,297</b>	<b>2,195,062</b>	<b>3,660,516</b>	<b>4,583,553</b>
Post - eCommerce - Parcel	77,391	85,745	104,601	101,387
Express	57,026	124,557	195,503	382,079
Global Forwarding, Freight	945,212	1,898,075	3,240,606	4,088,872
Supply Chain	198,668	86,685	119,806	11,215

1 Calculation methodologies verified by the independent audit organization Société Générale de Surveillance (SGS)

2 Based on the GHG Protocol Product Lifecycle Accounting and Reporting standard

### Climate-neutral products: Customer emissions offset

	CO <sub>2</sub> IN TONNES		CO <sub>2</sub> e IN TONNES	
	2012	2013	2014 <sup>1</sup>	2015 <sup>1,2</sup>
<b>Total</b>	<b>179,889</b>	<b>193,760</b>	<b>255,113</b>	<b>253,434<sup>3</sup></b>
Post - eCommerce - Parcel	143,806	148,692	189,471	185,235 <sup>4</sup>
Express	31,377	42,769	56,600	59,260
Global Forwarding, Freight	3,721	986	8,560	8,485
Supply Chain	316	120	83	68

1 Based on the GHG Protocol Product Lifecycle Accounting and Reporting standard

2 Data audited by SGS (closing March 2016)

3 Includes 386 tonnes of CO<sub>2</sub>e from Corporate Center/Other

4 In addition to shipment-related emissions, data also includes emissions from passenger transportation (Postbus).

## Economics

## Key figures (in €m)

		2011 <sup>1</sup>	2012 <sup>1</sup>	2013 <sup>1</sup>	2014	2015
<b>Revenue</b>		<b>52,829</b>	<b>55,512</b>	<b>54,912</b>	<b>56,630</b>	<b>59,230</b>
Post - eCommerce - Parcel (until 2013 MAIL)		13,973	13,972	15,291	15,686	16,131
Express		11,691	12,778	11,821	12,491	13,661
Global Forwarding, Freight		15,118	15,666	14,787	14,924	14,890
Supply Chain		13,223	14,340	14,227	14,737	15,791
Corporate Center/Other		1,260	1,203	1,251	1,345	1,269
Consolidation		-2,436	-2,447	-2,465	-2,553	-2,512
<b>Profit/loss from operating activities (EBIT)</b>		<b>2,436</b>	<b>2,665</b>	<b>2,865</b>	<b>2,965</b>	<b>2,411</b>
Post - eCommerce - Parcel (until 2013 MAIL)		1,107	1,048	1,286	1,298	1,103
Express		916	1,110	1,083	1,260	1,391
Global Forwarding, Freight		440	514	478	293	-181
Supply Chain		362	419	441	465	449
Corporate Center/Other		-389	-423	-421	-352	-351
Consolidation		0	-3	-2	1	0
<b>Other key figures</b>						
Capital expenditure (capex)		1,716	1,697	1,747	1,876	2,024
Staff costs	€m	16,730	17,770	17,776	18,189	19,640
Staff cost ratio <sup>2</sup>	%	31.7	32.0	32.4	32.1	33.2
Tax rate <sup>3</sup>	%	23.7	20.2	14.0	15.5	16.4
Dividend distribution	€m	846	846	968	1,030	1,031 <sup>4</sup>
Payout ratio	%	72.7	51.6	46.3	49.7	66.9
Dividend per share	€	0.70	0.70	0.80	0.85	0.85 <sup>4</sup>
Dividend yield	%	5.9	4.2	3.0	3.1	3.3
Number of shares carrying dividend rights	million	1,209.0	1,209.0	1,209.0	1,211.2	1,212.8

1 Adjusted

2 Staff costs/revenue

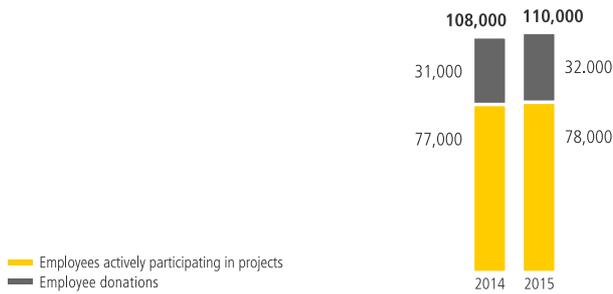
3 Income tax expense/profit before income taxes

4 Proposal

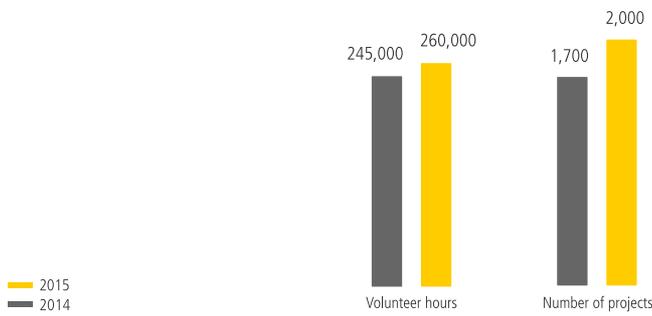
## Corporate Citizenship

As of 2015 we are also using the LBG model to measure employee participation in Global Volunteer Day. According to the new framework, only those employees are counted who have taken active part in a GVD project and whose participation is directly reflected in official volunteer hours and project numbers. Employees who contribute in the form of monetary donations will no longer be accounted for in GVD participation statistics. Their contributions will be captured in the figures on charitable gifts.

### Global Volunteer Day 2015 – Number of employees



### Global Volunteer Day 2015 – Volunteer hours and number of projects



## Assurance report

### Independent Practitioner's Limited Assurance Report

#### To Deutsche Post AG, Bonn

We have been engaged to perform a limited assurance engagement on the sustainability information marked with  PwC in the online version of the Corporate Responsibility Report of Deutsche Post AG, (hereafter the "CR Report"), Bonn, (hereafter the "Company") for the period 1 January to 31 December 2015.<sup>1</sup>

#### Management's Responsibility

Company's Management is responsible for the preparation and presentation of the Corporate Responsibility Report in accordance with the criteria as set out in the G4 Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI) (hereafter the "GRI-Criteria") and for the selection of the information to be assessed.

This responsibility includes the selection and application of appropriate methods to prepare the Corporate Responsibility Report as well as the use of assumptions and estimates for individual sustainability disclosures which are reasonable in the circumstances. Furthermore, the responsibility includes designing, implementing and maintaining systems and processes relevant for the preparation of the Corporate Responsibility Report, which is free of material misstatements due to intentional or unintentional errors.

#### Audit Firm's Independence and Quality Control

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

The audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors ("Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer": "BS WP/vBP") as well as the joint opinion of the Wirtschaftsprüferkammer (Chamber of German Public Auditors; WPK) and the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality control for audit firms ("Gemeinsamen Stellungnahme der WPK und des IDW: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis": "VO 1/2006") – and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### Practitioner's Responsibility

Our responsibility is to express an opinion on the sustainability information marked with  PwC in the Corporate Responsibility Report based on our work performed.

Within the scope of our engagement we did not perform an audit on external sources of information or expert opinions, referred to in the Corporate Responsibility Report.

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): “Assurance Engagements other than Audits or Reviews of Historical Financial Information” published by IAASB. This Standard requires that we plan and perform the assurance engagement to obtain limited assurance whether any matters have come to our attention that cause us to believe that the sustainability information marked with ✓ PwC in the Corporate Responsibility Report has not been prepared, in all material respects, in accordance with the GRI-Criteria.

In a limited assurance engagement the evidence-gathering procedures are more limited than for a reasonable assurance engagement and therefore significantly less assurance is obtained than in a reasonable assurance engagement. The procedures selected depend on the practitioner's judgement. This includes the assessment of the risks of material misstatements of the sustainability information in the Corporate Responsibility Report with regard to the GRI-Criteria.

Within the scope of our work we performed amongst others the following procedures:

- Obtaining an understanding of the structure of the sustainability organization and of the stakeholder engagement
- Inquiries of personnel involved in the preparation of the Corporate Responsibility Report regarding the preparation process, the underlying internal control system and selected sustainability information
- Analytical procedures on selected sustainability information of the Corporate Responsibility Report
- Comparison of selected sustainability information with corresponding data in the consolidated financial statements and in the group management report
- Assessment of the presentation of selected sustainability information in the Corporate Responsibility regarding the sustainability performance

## Conclusion

Based on our limited assurance engagement, nothing has come to our attention that causes us to believe that the sustainability information marked with ✓ PwC in the Corporate Responsibility Report of the Company for the period 1 January to 31 December 2015 has not been prepared, in all material respects, in accordance with the GRI-Criteria.

## Emphasis of Matter – Recommendations

Without qualifying our conclusion above, we make the following recommendations for the further development of the Company's sustainability management and sustainability reporting:

- In the reporting year the Company has updated the materiality analysis and reports for most of the identified material sustainability the corresponding key performance indicators. We recommend to the Company to develop key performance indicators for all remaining material sustainability aspects.

### **Restriction on Use and Distribution**

We issue this report on the basis of the engagement agreed with Deutsche Post AG. The audit has been performed for purposes of Deutsche Post AG and is solely intended to inform Deutsche Post AG about the results of the audit. The report is not intended for any third parties to base any (financial) decision thereon. We do not assume any responsibility towards third parties.

Munich, February 26, 2016

**PricewaterhouseCoopers  
Aktiengesellschaft  
Wirtschaftsprüfungsgesellschaft**

Hendrik Fink  
Wirtschaftsprüfer  
(German Public Auditor)

ppa. Axel Faupel

<sup>1</sup> Our engagement applied to the German online version of the Corporate Responsibility Report 2015 (<http://cr-report2015.dpdhl.com>), which describes the sustainability performance of the Company. This text is a translation of the Independent Assurance Report issued in German - the German text is authoritative. Statements as well as expert opinions in the report were not in scope of our engagement.