DHL Resilience360 uses improved weather shape tracking data to help companies avert supply chain disruptions from hurricanes

- **New Risk Report offers overview of at-risk industry clusters and common storm trajectories in the Americas, East Asia and the North Indian Ocean**
- **DHL Resilience360 offers short- and long-term recommendations for mitigating storms' impact on supply chains**

Bonn, May 29, 2019: In the run-up to the 2019 hurricane season, DHL's cloud-based risk management provider Resilience360 has released a report on the potential supply chain impacts of these storms. The report "Stormy Weather Ahead: A Global Outlook on the 2019 Season" examines the 2018 storm seasons in the Northern Hemisphere and provides an outlook on the 2019 season, including the typical storm paths in each region as well as vulnerable areas and industries. Also included are recommendations for representatives from procurement, logistics and business continuity management for mitigating the impact of these storms on supply chains.

At the same time, Resilience360 is launching its improved weather shape tracking and alerting capability. The algorithm analyzes the projected path of a hurricane or cyclone and notifies users of possible impacts on their specific supply chains. Using the new capabilities, customers will be able to get better analytics on affected locations and assess what this means for the company's ability to produce and deliver to its end-customers.

"A minor hurricane that affects only a small region can nonetheless prove disastrous if it affects a crucial logistics hub or a critical supplier" explains Tobias Larsson, CEO Resilience360. "Preparedness is key to avoiding costly interruptions. Despite the increasing complexity of supply chains, advanced technologies allow us to map out multi-tiered supply chains, including interdependencies up and down stream. This makes it possible to understand how changes at one node – such as cargo ships stranded at a port – could impact the entire supply chain. When businesses are able to visualize where problems could arise, they can also plan appropriately with back-up suppliers and rerouting when a storm is forecast to hit a key area."

Improvements in meteorological forecasts now allow scientists to predict a hurricane's path three to five days in advance, affording risk mitigation experts a critical window of time to respond before disruptions occur.

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Outlook on 2019 hurricane, cyclone and typhoon seasons

For the 2019 hurricane season, DHL's risk experts have collected forecasts from the leading meteorological agencies to predict the number of tropical storms likely to occur in the Americas, the North Indian Ocean and East Asia. Scientists at the Colorado State University expect five hurricanes, a slightly below-average season in the Americas due to cooler ocean temperatures. However, other forecasters expect a total of seven hurricanes. The season in this region spans from June through November with a peak in mid-September. In East Asia, the typhoon season began in May and will continue until October. In the absence of a regional outlook, two meteorological services offer localized forecasts. The Hong Kong observatory expects four to seven tropical cyclones to approach Hong Kong within 500km this year, while the Philippine's National Meteorological and Hydrological Services agency expects two to four in the Philippine area. No official forecasts for the North Indian Ocean region are typically released. The area usually experiences three to four cyclonic storms per year within a season running between April and December with two peaks in May and November.

Areas and industries at risk

In the Americas, aerospace, petrochemical, automotive and pharmaceutical industries tend to lie in risk-prone areas in Florida and along the Gulf and East Coast as well as in Puerto Rico. Typhoon season in East Asia could threaten manufacturing hubs in China and Japan, automotive clusters further inland in China and electronics suppliers in southwestern Japan. For the North Indian Ocean, more than 80 percent of cyclones affect the eastern coast of India, affecting the petrochemical, pharmaceutical, automotive and other heavy industries.

Mitigating supply chain disruptions

Despite the difficulty of predicting exactly when and where storms will hit, businesses can take short- and long-term precautionary measures to mitigate the impact. In the short-term, companies should create continuity plans, stock up on essential materials, and ensure methods of communication are available in the case of power outages. In the longer term, visibility tools, diversifying the company's network, and establishing long-term partnerships with logistics suppliers can strongly influence how seriously a supply chain is affected by a hurricane. DHL's risk management experts use advanced mapping techniques, near real-time information from meteorological organizations, and the visibility and risk management tool Resilience360 to identify potential storms and disruptions for specific customer supply chains.

The full report "Stormy Weather Ahead: A Global Outlook on the 2019 Season" can be downloaded at www.resilience360.dhl.com.

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Notes to editors:

<u>About Resilience360</u>
Resilience360 is an innovative, cloud-based platform that helps companies to visualize, track and protect their business operations. The solution facilitates intuitive supply chain visualization, tracks assets, suppliers, orders and shipments, and enables near real-time monitoring of incidents capable of disrupting or delaying supply chains. Resilience360 easily integrates with business systems and helps companies keep track of risk in combination with their business performance indicators. It enables companies to better ensure business continuity, building risk profiles based on over 30 risk databases, and identifying critical hotspots using heat-maps to mitigate risks and to turn potential disruptions into a competitive advantage.

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50 Years DHL

In 2019 DHL is celebrating 50 years since the company's founding by three entrepreneurs in San Francisco in 1969. DHL began as a disruptor to the traditional delivery industry, circumventing bureaucracy with an innovative new service to deliver documents by air overnight. Since then, DHL has grown into a globe-spanning family of DHL companies with about 380,000 employees in over 220 countries and territories that covers the entire spectrum of logistics and supply chain services. DHL's customer-centricity and can-do culture have fueled

five decades of innovation – from the DHL 1000, one of the first word processing computers in the world, to using the purpose built StreetScooter, an environmentally friendly delivery vehicle powered by an electric drive and developed by Deutsche Post DHL Group. With the Mission 2050 commitment to reach zero group-wide emissions by 2050, DHL is continuing to be a trailblazer in the logistics industry.

DHL – The logistics company for the world

DHL is the leading global brand in the logistics industry. Our DHL family of divisions offer an unrivalled portfolio of logistics services ranging from national and international parcel delivery, e-commerce shipping and fulfillment solutions, international express, road, air and ocean transport to industrial supply chain management. With about 380,000 employees in more than 220 countries and territories worldwide, DHL connects people and businesses securely and reliably, enabling global trade flows. With specialized solutions for growth markets and industries including technology, life sciences and healthcare, energy, automotive and retail, a proven commitment to corporate responsibility and an unrivalled presence in developing markets, DHL is decisively positioned as "The logistics company for the world".

DHL is part of Deutsche Post DHL Group. The Group generated revenues of more than 61 billion euros in 2018.