



Press release

Pepco expands strategic partnership with DHL Supply Chain to strengthen distribution reliability and retail store supply across Europe

- DHL Supply Chain takes over operations at five Pepco distribution centers to boost speed, reliability and scalability.
- Bucharest site marks DHL Supply Chain's market entry in Romania and enables end-to-end supply chain solutions.
- Integrated multi-site setup supports fast store expansion and reliable product availability across Europe.

Bucharest, May 4, 2026: DHL Supply Chain, the world's leading contract logistics provider and Pepco, fast-growing pan-European discount variety retailer, are expanding their long-standing collaboration to further strengthen Pepco's distribution operations across Europe. The extended partnership focuses on reliable product availability, faster delivery times, and enhanced network performance for Pepco's growing store network.

Building on successful collaborations at Pepco's distribution centers in Poland and Spain, Pepco has entrusted DHL Supply Chain with the operational management of five strategic distribution hubs across Europe. In Central and Eastern Europe sites include Sosnowiec and Rawa Mazowiecka (Poland), Gyal (Hungary) and Bucharest (Romania). This broadened scope underscores the shared commitment of both companies to creating a more efficient, scalable, and resilient supply chain across Europe.

DHL Supply Chain has just taken over the operational management of Pepco's distribution center in Bucharest, Romania, marking the division's entry into the Romanian market. Romania is one of the strategic growth markets for DHL Group, and the move reflects a growing demand for more advanced, integrated supply chain services in the country. While DHL has long been present in Romania through its Express and Global Forwarding divisions, the expansion into contract logistics now enables the Group to offer end to end supply chain solutions in this dynamic and fast-growing market.

At Pepco's distribution center in Bucharest, DHL Supply Chain provides, comprehensive end-to-end logistics services, including warehousing, inbound and outbound picking, loading, and value-added services distributing Pepco products to stores across Romania, Bulgaria, and Greece. The expanded partnership supports Pepco's continued growth by strengthening execution across its distribution network. By working with a specialized logistics partner, Pepco enhances warehouse performance through advanced warehouse management capabilities, continuous productivity improvement and the flexibility to scale capacity as the store network grows. Three of the five sites are highly automated

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helping deliver consistent service quality through higher throughput, improved picking accuracy, and more predictable processing times as volumes rise. The cooperation also improves business continuity by leveraging a multi-site operational set up designed to maintain services levels during periods of disruption, ensuring reliable product availability to stores.

Pepco and DHL Supply Chain have worked together since 2019, beginning with the Sosnowiec facility in Poland. The partnership has since expanded to Spain in 2024, followed by successful transitions at Rawa Mazowiecka (Poland) in September 2025, Gyal (Hungary) in January 2026 and Bucharest (Romania) in April 2026. Both Pepco and DHL ensured a seamless transition across all sites, maintaining full operational continuity.

The expanded scope reflects a long-term commitment by both companies to standardize operations, drive continuous service and productivity improvements, and support Pepco's growth plans with a scalable distribution platform across multiple European markets.

As part of the partnership expansion, the existing workforces at the newly added locations will join DHL Supply Chain, ensuring stability for employees and uninterrupted service levels for Pepco's stores across Europe. In total, DHL Supply Chain now manages 290,000 square meters of warehouse operations, embracing over 1500 new colleagues, serving 4,020 Pepco stores across Europe. With five distribution centers under management and a footprint spanning multiple Central and Eastern European markets, the collaboration represents one of the largest multi-site retail contract logistics partnerships in the region in recent years.

"The strength of Pepco's supply chain comes from its resilience and interconnected European network. We are proud to manage five of Pepco's distribution centers across the region, enabling them to respond swiftly to consumer demand and navigate unforeseen disruptions - ensuring reliable delivery to retail stores even when conditions change. With Bucharest joining our DHL Supply Chain network, we also strengthen our presence in Romania, further advancing our strategy to create natural access points for businesses seeking multi-market supply chain solutions. Romania is a central node within global supply chains, and together, we are building the logistics infrastructure to support that growth," says Rainer Haag, CEO Europe, DHL Supply Chain.

"As Pepco continues to grow, the resilience and reliability of our distribution network become a strategic advantage," said Javier Rubio, Global Sourcing and Supply Chain Director at Pepco.

"Expanding our partnership with DHL Supply Chain supports a more standardized operating model across Europe and strengthens our ability to scale, improve productivity and protect service levels for



stores. Importantly, this transition has been carefully designed to ensure continuity for our teams and a smooth handover of operations “

“DHL has been a long-term partner for Pepco and I am pleased that we were able to expand our existing partnership to a much more integrated setup. This partnership will enable Pepco Group to pursue its strategic targets of accelerated growth at the desired levels of effectiveness and efficiency. We are looking forward to a successful long-term partnership” said Stephan Borchert, CEO of Pepco Group.

“We are honored to deepen our relationship with Pepco and to take on additional responsibilities within their supply chain across Central Europe,” says Filip Budík, CEO Central and Eastern Europe at DHL Supply Chain. “This expansion is a strong vote of confidence in the quality of our services and the dedication of our teams. Long-term partnerships like this are built on trust, transparency, and shared goals - and we’re proud to continue delivering on all three. I am confident that our expanded cooperation will not only enhance operational efficiency but also elevate the customer experience for Pepco shoppers across Europe.”

Together, Pepco and DHL Supply Chain are creating a stronger operational foundation to support future growth and ensure business continuity across the region.

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Media Contact:

DHL Group

Media Relations

Daniel Pohl

Phone: +49 228 182-9944

E-mail: pressestelle@dhl.com

On the internet: group.dhl.com/press

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DHL is part of DHL Group. The Group generated revenues of approximately 82.9 billion euros in 2025. With sustainable business practices and a commitment to society and the environment, the Group makes a positive contribution to the world. DHL Group aims to achieve net-zero emissions logistics by 2050.