

**CONNECTING
PEOPLE.**



**IMPROVING
LIVES.**

CONTENTS



- 04 Foreword
- 08 About this report

23 THE GROUP

- 24 Business model & products
- 26 Strategy
- 29 Stakeholder dialogue
- 32 Leadership & management
- 35 Economic performance

39 RESILIENCE & INTEGRITY

- 40 Preventing corruption & bribery
- 41 Codes of conduct & other policies
- 43 Risk detection & crisis management
- 46 Compliance
- 50 Working with suppliers

53 EMPLOYEES

- 54 Employee matters
- 56 Workforce diversity
- 61 Human rights & employee relations
- 64 Motivation & satisfaction
- 67 Employee development
- 70 Occupational health & safety

75 SOCIETY

- 76 Social matters
- 77 Our responsibility
- 78 Volunteering
- 80 Disaster management
- 82 Improving employability

83 ENVIRONMENT

- 84 Environmental matters
- 85 Climate & environmental protection
- 88 Efficiency & fuel consumption
- 93 Air pollution
- 95 Green products
- 95 Training & reforestation
- 96 Other environmental aspects

97 ANNEX

- 98 Employees
- 105 Environment
- 108 Society
- 109 Financial figures
- 110 Assurance Report
- 112 Glossary & Index

OUR KEY FIGURES IN 2019

FINANCE



€63,341 million revenue **€3.6 billion in investments**

€4,128 million EBIT **€21,610 million in staff costs**

EMPLOYEES



approx. **550,000** employees **65.6% men**

22.2% women in management positions **34.4% women**

ENVIRONMENT



approx. **13,500** vehicles with alternative drive systems **28.95 million t** of carbon emissions

approx. **27,000** bicycles **35% efficiency gain** compared to 2007

Finding your way around



Material issues



Audited content



Cross-reference within the Report



Reference to external content



Glossary entry

“Global challenges can only be tackled together.”

Dr. Frank Appel
CEO

SUSTAINABILITY IS PART OF OUR DNA

Connecting people, improving lives: How do we make that a reality?

We use our logistics services to connect people and enable flows of goods and trade to every corner of the world – we view this as our purpose. The taxes we pay locally contribute to increased prosperity; our infrastructure and the jobs we create have an indirect positive impact which is felt by communities on the ground. It goes without saying that we take potential environmental impacts into account – after all, social and ecological responsibility have long been integral to our operations. I firmly believe that logistics is critical for sustainable economic growth.

Sustainability necessitates change.

First, let me say that 2019 was a very successful year for Deutsche Post DHL Group. Our company is on firm financial footing, and we are excellently positioned for the future.

Strategy 2025 has enabled us to further cement our focus and set new goals. We are monitoring current geopolitical developments and trade limitations that may have an impact on our business – and are well prepared moving forward. We intend to continue to utilize the opportunities that globalization affords. The booming e-commerce sector and the associated intensive global exchange of goods drive our growth. The ongoing digitalization of our business operations is also picking up speed and will significantly improve our processes.

Sustainability is integral to Strategy 2025...

Absolutely. Sustainability is being even more closely integrated into our three bottom lines of becoming Employer, Provider and Investment of Choice. We want to increase our profitability in a continuous, sustainable way, and embed social and environmental aspects more firmly in our business operations. As a signatory to the UN Global Compact this is a consistent and logical continuation of the measures we implemented years ago. We naturally take the UN Sustainable Development Goals into account as we go. As diverse as our business models may be, our operative business divisions and corporate functions all agree that, particularly in our logistics operations, sustainable development is a must as well as a favorable differentiating feature. [Page 26](#)

LOGISTICS IS CRITICAL FOR SUSTAINABLE ECONOMIC GROWTH

Logistics without digitalization is inconceivable.

Global networks and processes are accelerating. This calls for new infrastructures, and places huge demands on digital security. Existing job profiles will change and new ones will emerge. This makes it all the more important that we continually develop our employees as we move forward together into the digital world of work. By 2025 we will be investing €2 billion to improve the customer experience, our operative performance and, of course, working conditions for our employees.

Climate and environmental protection are gaining importance on a global scale. But as an industry, logistics also produces carbon emissions.

Although some 14% of greenhouse gas emissions are caused by the transportation sector, our share amounts to just 0.4%. Contrary to popular belief, online retail and the associated increase in transportation volumes is not fundamentally bad for the environment. The carbon footprint of a normal parcel corresponds to a three-kilometer journey by car. With growing volumes, that ratio improves to the benefit of online retail. And while I in no way wish to understate the impact of our business operations, this is actually something we have been working on for several decades.

The demands made of sustainable logistics are more complex than ever before.

By introducing suitable measures, we have paved the way for sustainable logistics and have worked together with our stakeholders to identify “energy efficiency and climate change” and “air pollution” as key action areas. Our goal is an ambitious one: By 2050 we want to reduce our logistics-related emissions to net zero. However, the number and complexity of statutory requirements continue to increase – for example in relation to customs and export controls. With our compliance management system, we ensure that our transportation services comply with prevailing law around the world, and uphold our reputation in the eyes of our customers and business partners. And when it comes to the sustainability of our business operations, we are well-equipped to respond to the growing demands brought about by “green taxonomy” and Fridays for Future activists, and with these the increased expectations as regards reporting.

Our environmental successes.

There are many. For example, we have improved energy efficiency by an additional 2 percentage points, raising it to 35% compared with 2007. This was largely due to efficiency gains both in ocean and road freight. However, the increased use of green electricity at our sites has also had a positive impact.

Furthermore, we put four new aircraft into service to replace older planes in our fleet. These will generate roughly 18% less carbon emissions and contribute to improved fuel and emissions efficiency. Our road vehicle fleet now comprises more than 13,000 vehicles with alternative drive systems. At the moment, our biggest challenge lies in medium and long-haul operations because electric vehicles are not yet viable. As a solution I believe we need a rapidly available supply of sustainably produced synthetic fuels. [Page 88](#)

13% OF OUR VEHICLES ARE ALREADY EQUIPPED WITH ALTERNATIVE DRIVE SYSTEMS

Finding solutions requires ongoing dialogue.

One of our successes in 2019 is certainly our long-standing working relationship with the UNI and ITF, the two biggest international union associations. The foundation of mutual trust we have built will continue to shape our regular dialogue in the future. To be honest, achieving a common understanding for respect for human rights across cultural, regional and legal divides can present certain challenges. This is why our HR experts engage in ongoing dialogue with all of the relevant stakeholders. [Page 62](#)

What else have we achieved as an employer?

With some 550,000 employees, we are one of the largest employers in the transportation and logistics sector. One unmistakable sign of our economic strength is the annual 2.5% average growth in our workforce, and the 2.8% increase in our personnel expenditure since 2015. Once again, we received Top Employer and Great Place to Work awards, and the increased approval rates in our Group-wide Employee Opinion Survey confirm that we have adopted the right approach. [Page 69](#)

How does diversity influence our role as an employer?

Very positively! We see the diversity of our workforce as a key success factor. Their different experiences – personal, cultural and intellectual – make them a strong interface to our customers. Indeed, we employ people from some 175 nations at our headquarters in Bonn alone. In 2019 we were able to provide jobs for some 4,200 refugees and take on around 90 as apprentices. With our Strategy 2025, we have for the first time set a global target for women in management positions: We want to increase the percentage of female managers from 22% today to 30% by 2025.

Employee volunteering remains a key factor.

Yes, this is where our purpose really comes to the fore. With our Corporate Citizenship initiative, we offer employees the chance to develop and to utilize their knowledge and skills to benefit society. We make our networks and our services available free of charge – for example to assist humanitarian efforts in the aftermath of natural disasters. More than 114,000 employees volunteered in around 3,100 local-level projects in 2019 alone. [Page 79](#)

Let’s talk about the future.

Just by making small changes in our everyday lives, we can all help to protect the environment and promote social development. But if we are to tackle the bigger social challenges, then global solutions are needed. Joint efforts make for harmonized conditions, and they prevent distortion of competition. Let me use sustainable synthetic fuels as an example. If they were already mature for market, they could help reduce greenhouse gas emissions in aviation. That is why we will be intensifying our involvement in related initiatives, while driving cross-sectoral dialogue with the aim of developing a global strategy and global standards. Only by joining forces can we move forward in a truly sustainable way.

“Top Employer and Great Place to Work confirm we are Employer of Choice in our industry.”



ABOUT THIS REPORT ✓

This 2019 Sustainability Report includes the mandatory disclosures required by Sections 289b ff. and 315b ff. of the *Handelsgesetzbuch* (HGB - German Commercial Code), which have been brought together in a Separate Consolidated Non-financial Report (“Non-financial Report”). The information that forms the Non-financial Report applies both to Deutsche Post AG and to the Group, and is disclosed on a gray background preceding the individual chapters containing our voluntary reporting.

In order to avoid redundant reporting, the Non-financial Report contains both the descriptions of our policies required by law and our management approaches in accordance with the GRI Standards. Unless otherwise indicated, the information provided in the Sustainability Report covers the period from January 1 to December 31, 2019, and applies to the entire consolidated group as described in the Group’s 2019 consolidated financial statements.

Reporting standards

Non-financial Report

The information that forms part of the Non-financial Report is disclosed on a gray background at the start of the individual chapters. In accordance with the requirements of the German Commercial Code, the following non-financial aspects were established as significant for the Company:

- Anti-corruption and bribery matters → Page 40
- Respect for human rights in the supply chain → Page 41, in employee relations → Page 61
- Employee matters relating to the issues of employee engagement, employee development, and occupational health and safety → Page 54
- Social matters relating to the issue of corporate citizenship → Page 76
- Environmental matters relating to the issue of energy efficiency and climate change → Page 84

The non-financial performance indicators used for managing the Company were determined on the basis of their materiality in accordance with the German Commercial Code; the German Accounting Standards (GASs) were applied. References to disclosures that are not included in the Group Management Report represent information in excess of the disclosures required by the German Commercial Code; these are not part of the Non-financial Report.

Sustainability Report

This report has been prepared in accordance with the GRI Standards (core option). The material issues selected for inclusion in the report are based on the results of the 2019 materiality analysis in accordance with the GRI Standards, which builds on the analysis conducted in 2017. In addition, we also report on selected topics to which we, as a Company, are committed and want to provide transparency about. The report also serves as an Advanced Level Communication on Progress (COP) on our commitment to the Ten Principles set out in the UN Global Compact (UNGC). The linkages to the UNGC’s Ten Principles are based on the joint UNCI/GRI publication “Making the Connection”. We also take into account the information needs of the Sustainable Accounting Standards Board and rating agencies.

Data capture and bases of calculation

- **Employee data:** Unless otherwise noted, employee data in this report refers to the headcount as of the reporting date (December 31, 2019).
- **Measurement techniques:** The measurement techniques used are explained in the relevant places in the Sustainability Report. Similarly, the bases of calculation for data, and information that is fully or partly based on estimates, are explained directly in context. This also applies to any changes made in the bases of calculation or adjustments to data compared with the previous year.

- **Emissions data:** In accordance with the Greenhouse Gas Protocol, Scope 2 greenhouse gas emissions are reported as gross CO₂e volumes using both the site-based and the market-based method. Unless specifically indicated in the text, the market-based method is used in all cases. Our data calculation methodologies meet the requirements of the European Emissions Trading System (EU-ETS) as well as the EN 16258 and ISO 14064 standards.

Reportable risks

The Group’s opportunity and risk management process also includes and quantifies opportunities and risks that are relevant to the minimum requirements for the Non-financial Report.

Neither the Group’s early warning system nor the assessment made by its Board of Management revealed any reportable risks for the Group that are linked to its own business activities, business relationships, products or services and that are highly likely to have a severe adverse impact on the material aspects now or in the future.

Independent third-party review

The review was conducted by PricewaterhouseCoopers Wirtschaftsprüfungsgesellschaft GmbH, Frankfurt am Main, Germany in accordance with ISAE 3000 (Revised). Reviewed content is indicated by this ✓ symbol.

- **Non-financial Report:** The Supervisory Board commissioned a limited assurance review of the contents of the Non-financial Report.
- **Sustainability Report:** Similarly, the Board of Management commissioned a limited assurance review of the contents of the voluntary reporting.

Information on the scope and findings of the two reviews can be found in the assurance report. → Page 110

Inclusive language

In keeping with the importance we place on inclusion and integration, the language used in this report aims to be gender-neutral. Words of any gender also refer to other genders.

Abbreviations and definitions

The following abbreviations and definitions are used in the report:

- **SDGs:** United Nations’ Sustainable Development Goals
- **NGOs:** Non-governmental organizations
- **Anti-Corruption Policy:** Anti-corruption and Business Ethics Policy
- **ER Forum:** Employee Relations Forum
- **Supplier Code of Conduct:** The term “suppliers” also includes our transportation subcontractors.

EXCELLENCE DELIVERED IN A **SUSTAINABLE** WAY

Excellence. Simply Delivered.



CREATING A COMMON **UNDERSTANDING**

As climate change, resource scarcity and the impact on future generations gain more and more public attention, these issues are also significantly impacting business strategy at Deutsche Post DHL Group, which has made sustainability a core component of its Strategy 2025.

Sustainability, of course, is nothing new at Deutsche Post DHL Group. All of our business activities are aligned with the company's purpose of connecting people and improving lives. With our sustainability activities bundled into three main areas – employees, society and the environment – we are actively involved on numerous fronts, as we explore ways to reduce emissions and bring new solutions to our customers, all the while embracing digitalization as an opportunity. Ours is a culture of inclusiveness, in part because we know that the diversity of our workforce is what makes us strong.

It never fails to impress me how much passion our people bring to the wide range of corporate citizenship and environmental projects they're involved in on a local level.

I strongly believe that sustainability can and will bring about fundamental social and economic change. We at Deutsche Post DHL Group are, of course, not just bystanders to this transformation, but actively shape this change on a daily basis. One of our jobs in Corporate Communications is to create a common understanding of at times complex topics related to sustainability – and to inspire even more of our people to engage as volunteers.

Sustainable business poses a challenge to Deutsche Post DHL Group, but we also see it as a real opportunity. Sustainability is a core component of our corporate strategy because it has become a key differentiator in business today – and one that serves a very positive purpose. By collaborating in international and cross-sectoral initiatives we are playing an active part in shaping the future – only together can we meet the major challenges of our age.

SOCIETY AND BUSINESS CAN CHANGE FOR THE BETTER

Monika Schaller
Executive Vice President
Communications,
Sustainability & Brand



DIGITALIZATION AND CULTURAL CHANGE

Digitalization is changing the world of work. As we embark on this journey together, we are keen to spark enthusiasm among our employees for the opportunities that new technologies are creating.

How will digitalization transform logistics?

There isn't an area that will be left untouched. Digital technologies speed up our business; tasks can be performed with greater speed, ease and flexibility. Digitalization will strengthen global connectedness, benefiting both our customers and our employees. There's no denying that digital transformation is a key factor for the future of our business.

Job profiles will change.

Yes, but they will do so in a positive way. We're not just modernizing our IT systems – our applications and processes are also being transformed. For example, we can now process large amounts of data better, enabling us to design complex processes more efficiently. And while this will lead to changes in existing job profiles, completely new fields of activity will also emerge.

New skills will be required for the jobs of the future, skills that differ considerably from those needed today. Highly repetitive tasks and activities involving physical exertion will gradually be automated. By contrast, cognitive and intercultural skills and creativity will be a high priority in the job profiles of the future. In the logistics business, people are irreplaceable.

DIGITALIZATION – PEOPLE WILL ALWAYS BE NEEDED



We want to be Employer of Choice. Our employees are and will remain the key to our success.

Ideally, employees whose tasks can be automated in future will be able to take on different responsibilities for which we can provide interdisciplinary training in the specialist areas and methods their new roles require. In return, we hope to be met with open-mindedness, curiosity and a willingness to explore the opportunities these new requirements can bring. Digitalization is a continuous process that requires people to take responsibility for their own advancement, and this includes learning new things.

Towards lasting cultural change.

How and where we perform our jobs will change radically in certain fields. Activities performed at bricks and mortar locations will increasingly be assisted by automation. We are already collaborating in numerous cross-divisional and international projects that would be inconceivable without the help of digital technologies. This reinforces team members' sense of responsibility, motivates them and encourages innovation and ingenuity. It is exactly this capacity for renewal that ensures lasting success for our company.

In my position as Labor Director, this also means we have to engage in ongoing dialogue with our social partners to find new and flexible solutions to accommodate this trend – in our employment contracts and remuneration structures and in our digital training programs. And in the same vein, our processes must be realigned.



Dr. Thomas Ogilvie
Board Member
Human Resources, Labor Director,
Corporate Incubations



Board members from left to right: Oscar de Bok (Supply Chain), Dr. Tobias Meyer (Post & Parcel Germany), Tim Scharwath (Global Forwarding, Freight), Ken Allen (eCommerce Solutions), John Pearson (Express)

Environment

TECHNOLOGIES THAT AID CLIMATE PROTECTION

The diversity of our business models means that we have equally diverse ways of improving our energy efficiency. We use a variety of alternative energy sources and drive systems and test them in our daily operations. Green electricity already meets over 80% of our total electricity demands at Group sites. We are gradually equipping our buildings with more efficient systems; some are already emission-free. We are also continuously modernizing our fleets. For example, 13% of our vehicles are equipped with alternative drive systems. In our air and ocean freight business, we select transportation subcontractors that demonstrate superior environmental performance. And for pick-up and delivery operations, around 27,000 bicycles are now deployed for the first and last mile. [Page 90](#)

WE PUT NUMEROUS ALTERNATIVES TO THE TEST – THERE IS NO UNIVERSAL SOLUTION

SUSTAINABLE SOLUTIONS FOR OUR CUSTOMERS

Our customers expect responsible and sustainable business models, and environmentally friendly logistics solutions.

Respect & Results expresses our understanding of the values we uphold, such as integrity and equal opportunity. They are based on human rights and are a binding benchmark for conduct within the Group. Successfully putting these values into practice in our global network is a key competitive factor.

also part of our business partners' supply chains. When they choose Deutsche Post DHL Group as a preferred service provider, among our various obligations, we must show that our business complies with certain social and environmental requirements. The following examples illustrate some of our responses.

Our Code of Conduct anchors our ethical and environmental standards within the company, and our business partners also commit to compliance with these standards when they sign a contract with us. Indeed, our company is





Germany

SINCE 2015

Employment contracts with
11,000
refugees

246
refugees in training

AUTONOMY THROUGH INTEGRATION

We also support refugees with our corporate citizenship activities. Our aim is to prepare them for the requirements of working life and improve their chances on the labor market. One Syrian refugee has been working as a delivery agent in Glücksburg, Germany, since October 2017. He delivers about 100 parcels and innumerable letters every day, a job that calls for a sense of responsibility and commitment. After leaving Syria in early 2015, he had to wait ten months for an integration course before he could start working. Since then he and his family have successfully made their home in Germany.

Rwanda

E-COMMERCE PROMOTES EQUAL OPPORTUNITY

We want to increase the percentage of women employed in our company at all levels worldwide. We offer practical e-commerce consultant training in Rwanda, providing career prospects for women in particular. Our training is part of the Rwandan government's digitalization initiative designed to prepare the country's labor force for the digital future. This program gives us an outstanding opportunity to recruit well-trained junior specialists and managers and to enhance our reputation as the preferred partner for e-commerce solutions.

Deutsche Post DHL Group became the first German company to receive the prestigious 2019 Catalyst Award in recognition of exceptional commitment to diversity and to increasing the number of women in management positions.

550,000

employees worldwide of whom

34% women

22.2%

women in management positions





China

**WORKING WITH
AUTISTIC CHILDREN**

Global Forwarding, Freight has been supporting a rehabilitation center for autistic children in China for the past six years. Only in the last few years has autism been recognized in China as a congenital contact and developmental disorder. State-run facilities offer support to patients but are unable to meet rising demand. This makes the help from our donated items and our employees' volunteer work that much more important. Through their lessons and diverse group leisure activities, the children are given the chance for a happy, self-determined life and can become more familiar with traditional Chinese culture.

114,000

employee volunteers in 2019;
of whom

75,000

got involved in projects

39,000

made donations

Spain

**INCLUSION IS TODAY'S
REALITY**

In line with our inclusive approach, we offer career prospects to people with disabilities all over the world. In contract logistics, for example, we run an ultramodern co-packing operation in Spain on behalf of a customer. During peak periods, we employ up to 270 people with physical and mental disabilities there, predominantly in product packaging. For the customer, our clear commitment to inclusion was one of the main reasons for awarding the contract.

**PEOPLE WITH DISABILITIES
CONTRIBUTE TO SUCCESS**



SUSTAINABILITY FOR LONG-TERM SUCCESS

Businesses are increasingly expected to demonstrate sustainable conduct and transparency with regard to the associated opportunities and risks. And this is as it should be. Deutsche Post DHL Group has been reporting on sustainability since 2003.

Growing external requirements.

The concept of sustainability has come more sharply into focus for various reasons in recent years. Indeed, research on the topic is unequivocal: companies with a meaningful sustainability strategy are more successful in the long term than those without. Sustainability's increasing importance is not least reflected in stricter requirements concerning non-financial reporting and a growing demand for information on the part of stakeholders.

We have long been aware of the importance of sustainability with regard to our business operations and have been reporting on the topic since 2003. As a logistics company, the impact our business has on the environment is a key topic. More than a decade ago, we started paving the way for sustainable logistics by introducing various climate and environmental protection measures. Since then, we have been measuring and managing our environmental KPIs across the Group through our financial systems – just as we do for revenue and EBIT – in order to effectively track the progress we are making in improving our carbon efficiency. Furthermore, we are continuously working towards integrating additional sustainability indicators into our standardized reporting.



Melanie Kreis
Board Member
Finance

Standards will ensure comparability.

Non-financial reporting is, however, still in its infancy in comparison to financial reporting. The varying information requirements of diverse stakeholder groups have given rise to a broad range of reporting standards. And as a result, definitive indicators to quantify the progress and impact of measures are yet to be established. For external users, such variability in reporting practices results in a lack of comparability across the industry.

Sustainability issues are becoming more tangible, the calls for comparability more emphatic. Indeed, the pressure is currently on at EU level to develop new guidelines. These are developments that we support as a sign of real progress. Clear, standardized requirements for all companies will ensure transparency and create a level playing field industry-wide. This in turn will allow investors, customers and (potential) employees to more consciously consider non-financial aspects and make more informed decisions.

Our sustainable investment approach.

We invest continuously in our workforce, infrastructure and fleets, focusing our efforts on technological advancement. By modernizing our fleets and buildings, we reduce emissions and energy consumption. Looking ahead, these will be important factors in helping us to remain an attractive employer and supplier and to be prepared for the effects of possible regulations such as a carbon tax. Deutsche Post DHL Group receives consistently positive ratings. As a result, our shares are included in a number of sustainability indices.

We are off to a good start. Together with our stakeholders, we will successfully continue to develop our sustainability agenda as we work to drive the development of our company in a sustainable way.





Dr. Frank Appel
CEO

A FINAL WORD

Our stakeholders have high expectations of our company's approach to sustainability. Our own standards and objectives are just as ambitious. After all, sustainability not only influences the reputation of Deutsche Post DHL Group, it can also impact the value of our brands.

Our future will change, not least in the course of digitalization. All of this has informed our conscious decision to focus our strategy on sustainability. We are making good progress with the measures we have in place, but we also need solutions that transcend industries and national borders – and these kinds of solutions will call for a collaborative approach.

THE GROUP

24	Business model & products	32	Leadership & management
26	Strategy	35	Economic performance
29	Stakeholder dialogue		



THE GROUP ✓

Business model & products

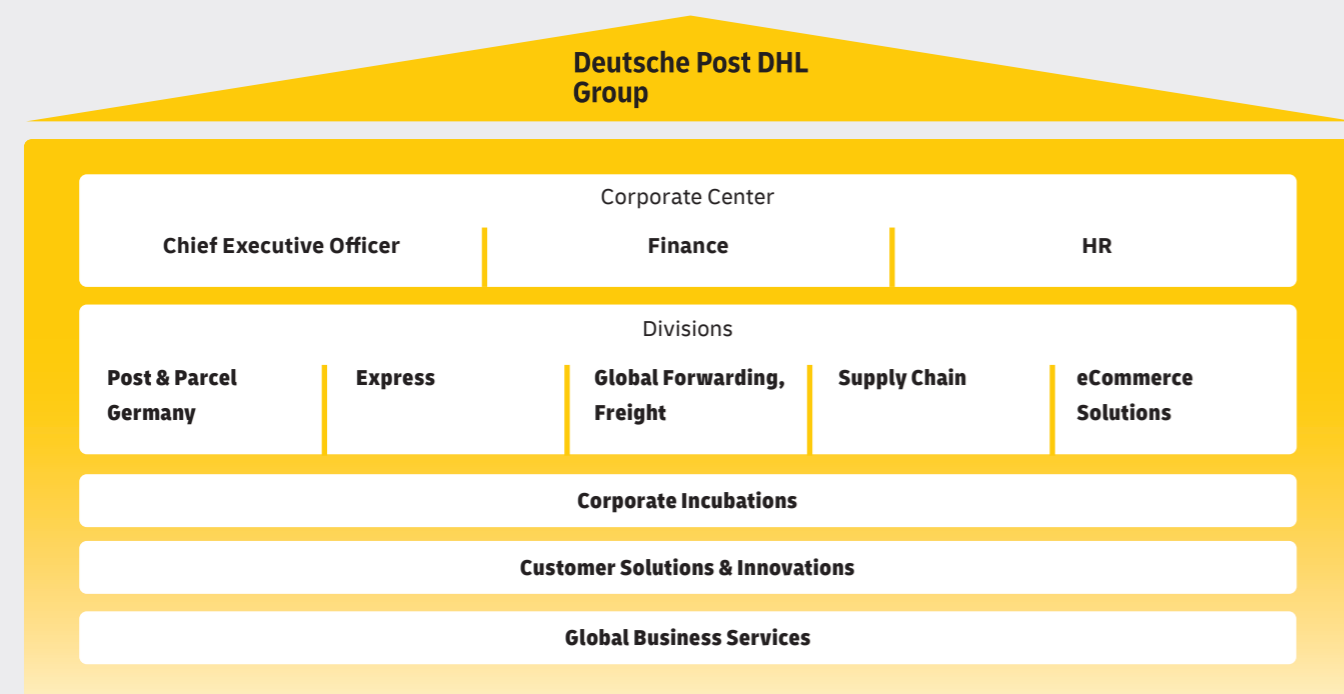
Deutsche Post DHL Group is a listed corporation; its Group headquarters are in Bonn, Germany. Under its Deutsche Post and DHL brands, Deutsche Post DHL Group provides an international service portfolio consisting of mail and parcel delivery, express delivery, freight transportation, supply chain management and e-commerce solutions. With approximately 550,000 employees, we are one of the world's largest employers in the transportation and logistics sector. Our economic performance also contributes to society.

- As a catalyst for global trade, we enable companies and individuals to participate in international trade thanks to our world-spanning logistics networks.

- Our sites, employees and suppliers also contribute indirectly to regional economic development.

We are committed to abiding by global standards for legal and ethical business practices, maximizing the value we generate at our local companies, assuming responsibility for our employees and minimizing the environmental impact of our business. This allows us to promote the Group's long-term growth and secure jobs worldwide.

Deutsche Post DHL Group's organizational structure



Business model

The Group is organized into five operating divisions, each under the control of its own divisional headquarters. Internal Group services, including Corporate Procurement, IT Services, Insurance & Risk Management and Corporate Real Estate, are bundled under Global Business Services. Group management functions are performed by the Corporate Center, which comprises the CEO, Finance and HR functions. The Corporate Incubations board department is driving forward innovative products such as our StreetScooter electric vehicle.

Products

We offer integrated services and tailored, customer-centric solutions for transporting mail, goods and information. The Post & Parcel Germany division provides domestic mail and parcel services, and is home to our dialogue marketing specialists. Our Express division transports urgent documents and goods from door to door. Global Forwarding, Freight is an air, ocean and overland freight forwarder that brokers transportation services between customers and freight carriers. Supply Chain's core business is providing contract logistics. Our international parcel business and e-commerce solutions are grouped in our eCommerce Solutions division.

In line with our mission to connect people and improve lives, these products and services also benefit the community, particularly in the areas of healthcare, global infrastructure and the environment.

- **Healthcare:** Our global air and ocean freight network, road transportation of temperature-sensitive medical products and devices, and life science graded warehouses offer our customers cold chain logistics services right around the world. This also includes a competence center for humanitarian logistics in Dubai, United Arab Emirates.

Thanks to our digital 4PL/control tower solution, our customers can rest assured that humanitarian deliveries in the Middle East and Africa in particular will be handled smoothly.


- **Global infrastructure:** We support secure and reliable trade by facilitating the global flow of mail and goods – even in remote and hard-to-reach areas. The work done through our disaster management programs builds on a longstanding partnership with the United Nations.
- **Environment:** Our green products and logistics solutions help our customers and transportation partners to reduce their environmental impact.

For details on our business model and business performance, please refer to our Group Management Report.

📄 2019 Annual Report

Strategy

Our Group strategy is focused on sustainability. We are committed to meeting not only our own operational requirements and the interests of our stakeholders but also to addressing the needs of society and the environment. In the year under review, our Strategy 2025 confirmed our strategic goals: We aim to become the Provider, Employer and Investment of Choice, while operating in a sustainable way.

Our mission is to connect people and improve lives. Our product and service portfolio and our near-global presence enable individuals and companies to take part in global trade, and hence contribute to economic development. By observing international compliance standards, maximizing the value we bring to local communities, taking responsibility for our employees and minimizing the environmental impact of our business activities, we promote the Group's long-term growth and secure jobs worldwide.  2019 Annual Report

Sustainability & materiality

We aim to continuously improve our performance and to ensure that we meet the expectations of the stakeholder groups that are relevant to us with regard to social and environmental issues. Our multistage management process supports continuous improvement, identifying early on new topics that could become important for our future business success. In the second stage of our management process, we work with stakeholder groups to identify and analyze the material issues on which our sustainability disclosures are also based.

As a longstanding partner to the United Nations, we support the UN's Sustainable Development Goals (SDGs). The following five SDGs are most closely aligned with our activities:

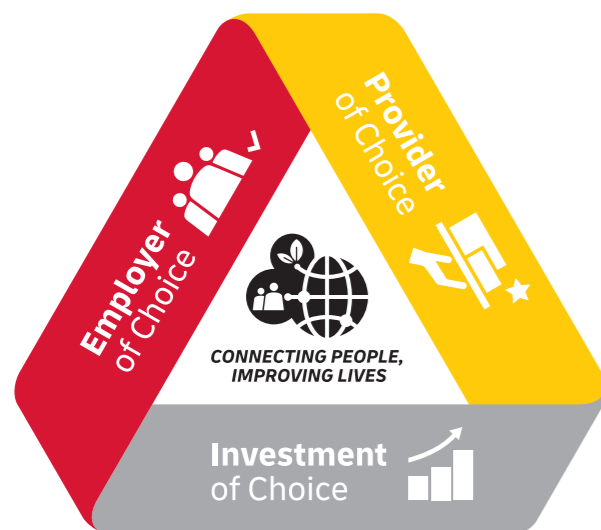
- **Quality Education:** By offering our employees extensive training and development opportunities, we encourage life-long learning and personal/professional development. We collaborate with partner organizations worldwide to improve employability for young people (SDG 4).

- **Decent Work and Economic Growth:** By facilitating global trade, supporting economic growth and creating jobs around the world, we help connect people and improve their lives (SDG 8).
- **Sustainable Cities and Communities:** We provide sustainable logistics solutions and clean pick-up and delivery concepts, contributing to improved air quality in urban areas. Our natural disaster management and refugee aid activities help promote sustainable communities (SDG 11).
- **Climate Action:** Our ambitious Mission 2050 climate target and green logistics solutions are helping the world community reach the goals set at the UN Paris Climate Conference (SDG 13).

- **Partnerships for the Goals:** Partnerships with or memberships in national and international organizations are of strategic importance to us. As an example, we use our membership of the World Economic Forum to help shape debate and action on sustainability. We have worked together with United Nations organizations for many years in our Group programs for natural disaster management (SDG 17).



Goals of our Group Strategy 2025

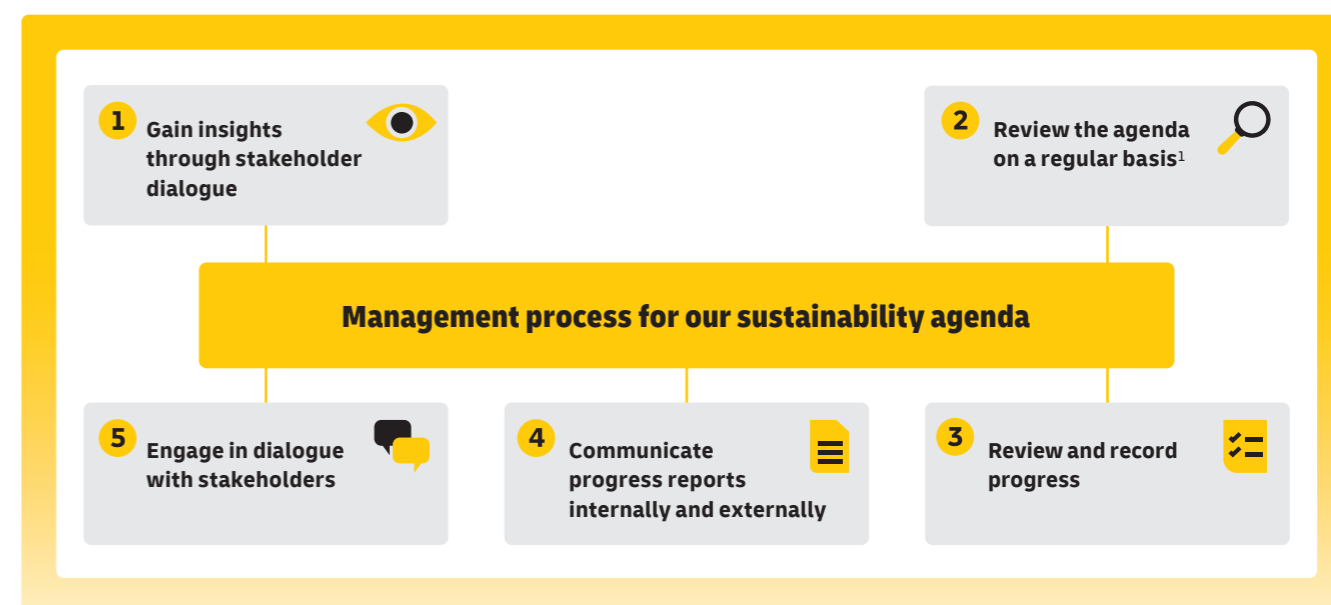


Our Purpose
Connecting people, improving lives

Our Values
Respect & Results

Our Mission
Excellence. Simply delivered. Along the three bottom lines in a sustainable way

Management process for our sustainability agenda



1) Our material issues are reviewed with relevant stakeholder groups and evaluated as part of a materiality analysis every two years.

Material issues: Measures & targets

In the year under review, we used qualitative interviews with our key stakeholders to review the results of the 2017 materiality analysis that was performed in accordance with the GRI Standards. The nine material issues were confirmed. The following graphic provides an overview of the challenges facing our company with regard to the material issues, and the goals we are pursuing with them.

Environmental & social standards in the value chain

- **Target:** Embed standards in the value chain
- Define principles for supplier management and ensure that there are standardized processes for supplier selection and drafting contracts → Page 50

Anti-corruption & bribery

- **Target:** Prevent violations of legal and internal Group requirements
- Prevent corruption, bribery and anti-competitive practices using the compliance management system → Page 40

Data protection & security

- **Target:** Ensure proper handling of personal data
- Prevent violations using the management system and training courses → Page 49

Respect for human rights

- **Target:** Prevent human rights violations
- Use ER Reviews to develop a common, Group-wide understanding of respect for human rights → Page 62

Employee development

- **Target:** Make our employees the best in the business
- Participant rate in the Group-wide Certified initiative → Page 67

Year	Participant rate (%)
2018	59%
2019	69%
2020	80%
2025	80%

Employee engagement

- **Target:** Achieve a consistent level of employee engagement throughout the Group
- Active Leadership approval rating in the Employee Opinion Survey; to be replaced as of 2020 by Employee Engagement → Page 69

Year	Rating (%)
2018	76%
2019	78%
2020	78%
2025	80%

Occupational health & safety

- **Target:** Avoid accidents in the workplace
- Accident rate per 200,000 working hours → Page 71

Year	Accident rate
2018	4.3
2019	4.2
2020	4.0
2025	3.1

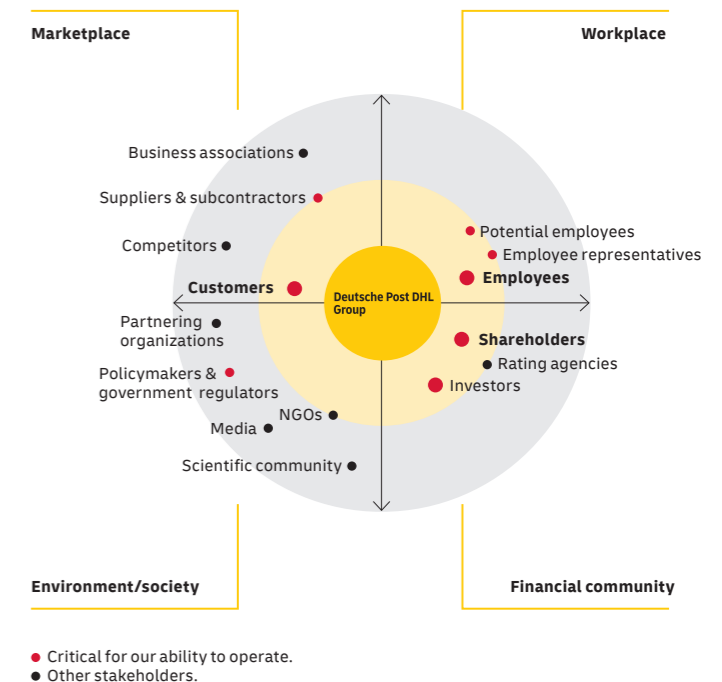
Stakeholder dialogue

Regular, open and constructive dialogue with our stakeholders is part of our strategic management process. In these discussions, we work together to develop solutions to future social and business challenges that we consider to be material for our company. Customer Solutions & Innovations, for example, works together with the divisions and relevant stakeholder groups (e.g., customers, suppliers, scientific specialists and researchers) to launch a stream of innovations and technical solutions as the starting point for market-ready concepts. Our Innovation Centers in Europe (Troisdorf, Germany), Asia (Singapore) and the USA (Chicago) serve as a platform for these dialogues.



Our dialogue formats are based on our Stakeholder Engagement Guidelines, which comply with the international AA1000 Stakeholder Engagement Standard.

Deutsche Post DHL Group stakeholders




Focus areas during the year under review

Our involvement in national and international forums is central to our activities in this area, as they allow us to actively participate in shaping the dialogue on overarching topics and to discuss technical progress. We also shared information and opinions with partner organizations, primarily the United Nations Global Compact and the international Partnering Against Corruption Initiative. We regularly take part in discussions with other companies in Germany as part of econsense working groups and steering committees, jointly deliberating topics such as draft legislation at the EU level and its potential impact. In addition, we get involved with selected issues and work to develop common solutions and positions on specific topics. Please refer to our corporate website for a full list of our partnerships.



- **World Economic Forum:** Dialogue with decision-makers and leading logistics experts focusing on shaping society in times of technological change, climate change, financial crisis and economic inequality.
- **Dialogue with customers:** Our key account support (CSI) team regularly organizes sector-specific customer conferences throughout the regions in which we operate. Our three Innovation Centers are the venue for regular consultations with customers as we consider technological solutions and how they could best be used. We initiate discussions with using our Logistics Trend Radar, and keep our customers informed of new developments via our Delivered., customer magazine.
- **Dialogue with the capital markets:** Our Investor Relations team is in constant contact with shareholders and investors in numerous conference calls, bilateral discussions, roadshows and conferences.

Selected stakeholder dialogues in 2019

CUSTOMERS	<p>H1 2019</p> <p>Trade conferences in Germany, Japan, Sweden, Switzerland, USA (Long Beach, Miami, Philadelphia, San Diego)</p>	<p style="background-color: #FFD700; color: white; text-align: center; vertical-align: middle;">ENVIRONMENT</p> <p>Nov. 6 2019</p> <p>Dialogue on packaging and the environment</p> <p>Discussion on innovative and sustainable packaging solutions with experts, customers, NGO representatives, employees, producers and suppliers</p> 
	<p>H2 2019</p> <p>Conferences in Colombia, Germany, India, Kenya, Morocco, Netherlands, Singapore, Turkey, USA (Chicago, Houston, Philadelphia)</p>	
EMPLOYEES	<p>H1 2019</p> <p>Informational events on business developments and organizational changes; dialogue with employee representatives Page 62</p>	
	<p>H2 2019</p> <p>Dialogue with international unions Page 62</p>	

We are also in regular contact with rating agencies and other institutions that independently evaluate our sustainability performance using their own standards. A large proportion of our share capital is held by signatories of the UN Principles for Responsible Investment. These investors incorporate the results of non-financial KPIs into their company ratings; in addition, positive agency ratings can play a role. For our company, ratings and inclusion in sustainability indices are primarily of strategic significance.

We were awarded good ratings during the reporting period, as previously. Our ratings in the Bloomberg Gender Equality Index and the Refinitiv Global Diversity & Inclusion Index were affirmed.

Our supplier platform ratings remain excellent. EcoVadis affirmed our Gold rating, meaning that we are among the top one percent of the rated suppliers. The Responsible Business Alliance assigned us to its “Low Risk Category.”

- **Internal dialogue:** Our focus lay on sharing information about the progress of Strategy 2025 with executives in the divisions, and on the changes being caused by growing workflow digitalization with our employees. For the results of our dialogue with employee representatives and collective bargaining partners, please refer to the Employees chapter. [Page 62](#)

Investor dialogue events and external ratings in 2019

INVESTORS	<p>May 13 2019</p> <p>Annual General Meeting</p> <p>The actions of the members of the Board of Management were formally approved, the appropriation of the net retained profit was resolved and new Supervisory Board members were elected. Page 32</p> 	<p style="background-color: #FFD700; color: white; text-align: center; vertical-align: middle;">RATING AGENCIES</p> <p> Confirmed listing in FTSE Index series since 2002</p> <p> ISS Oekom awarded us Prime status and a C+ rating</p> <p> MSCI gave us an AA rating for engagement</p> <p> Listed in the DJSI World and DJSI Europe indices and thus among the top 10% of rated companies</p> <p> Sustainalytics rates us as a Leader</p> <p> Our environmental performance received a “B” rating</p>
	<p>Sept. 24 2019</p> <p>Group Pension Day</p> <p>Dialogue with the financial community about a stronger focus on ESG criteria Page 36</p>	
	<p>Oct. 1 2019</p> <p>Capital Markets Day: Board of Management presentation of Strategy 2025 and the new financial targets through 2022; discussion of focus areas in the divisions in workshops</p> 	

Leadership & management

As a listed German public limited company, Deutsche Post AG has a two-tier board structure. The Board of Management is responsible for managing 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 the company's strategic measures, planning, business development, risk exposure and risk management, and compliance. The Report of the Supervisory Board provides information on the main topics discussed, and decisions made, by the Supervisory Board during the year under review.

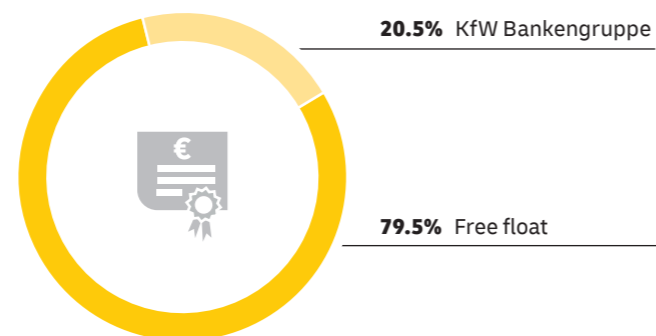
As at December 31, 2019, the company's share capital totaled €1,236.5 million and was composed of the same number of no-par value registered shares. Each share entitles the holder to one vote at the Annual General Meeting. No individual shareholder or group of shareholders is entitled to special rights, particularly rights granting powers of control.

🔗 2019 Annual Report



Shareholder structure as at Dec. 31, 2019

Total: 1,236,506,759 No-par value shares¹

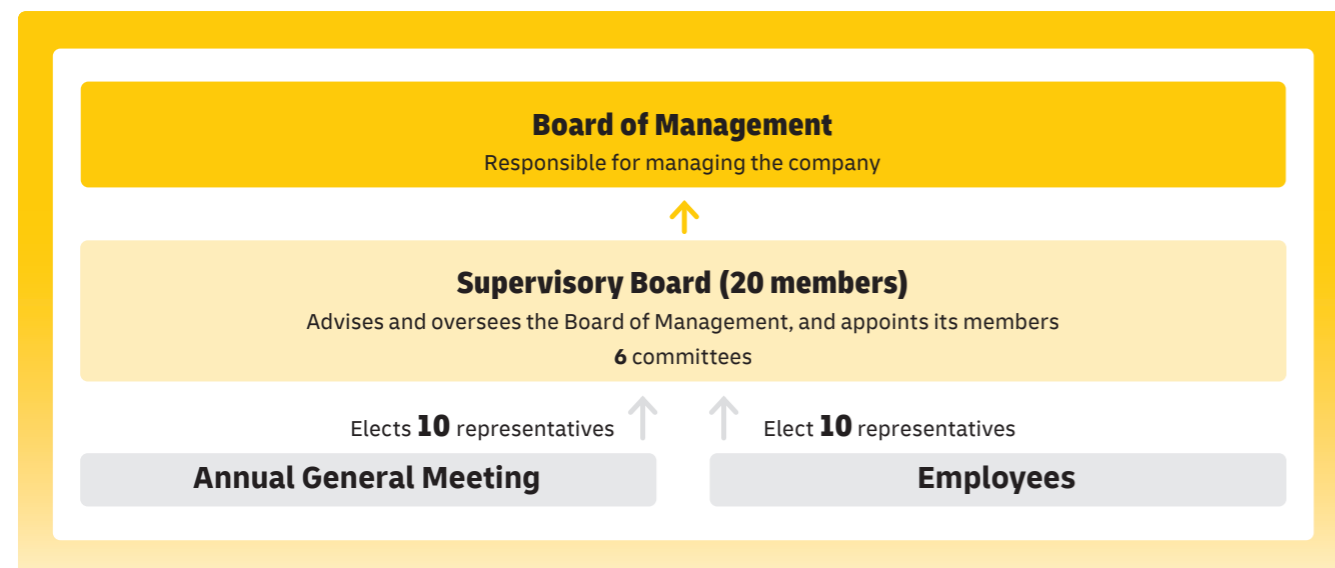


¹) Registered shares with a notional interest in the share capital of €1.

The Board of Management responsibilities and structure

The Board of Management, with the consent of the Supervisory Board, has drawn up rules of procedure for itself covering cooperation within the Board of Management, among other things. Each member of the Board of Management manages his or her own department independently and regularly informs the full Board about key developments. The full Board of Management decides on matters of particular significance for the company or the Group. These include all decisions which are required by the

Dual management structure



rules of procedure to be presented to the Supervisory Board for approval, as well as tasks which the Board of Management is not permitted to delegate to individual members. In making their decisions, Board of Management members may not act in their own personal interest or exploit the company's business opportunities for their own benefit. Board of Management members are required to disclose any conflicts of interest to the Supervisory Board without delay. The remuneration paid to Board of Management members is disclosed in the Group Management Report. 🔗 2019 Annual Report

Members of the Board of Management



Dr. Tobias Meyer
Post & Parcel Germany
 Born 1975
 Member since Apr. 2019
 Appointed until Mar. 2022

Melanie Kreis
Finance
 Born 1971
 Member since Oct. 2014
 Appointed until June 2022

Dr. Thomas Ogilvie
HR, Labor Director
Corporate Incubations
 Born 1976
 Member since Sept. 2017
 Appointed until Aug. 2025

Ken Allen
eCommerce Solutions
 Born 1955
 Member since Feb. 2009
 Appointed until July 2022

Oscar de Bok
Supply Chain
 Born 1967
 Member since Oct. 2019
 Appointed until Sept. 2022

Dr. Frank Appel
CEO
Global Business Services
 Born 1961
 Member since Nov. 2002
 Appointed until Oct. 2022

Tim Scharwath
Global Forwarding, Freight
 Born 1965
 Member since June 2017
 Appointed until May 2025

John Pearson
Express
 Born 1963
 Member since Jan. 2019
 Appointed until Dec. 2021

The Supervisory Board responsibilities and structure

The Supervisory Board advises and oversees the Board of Management and appoints its members. The Supervisory Board's rules of procedure set out the principles for its basic internal organization, a catalogue of Board of Management transactions requiring its approval, and the rules governing the work of the Supervisory Board committees. The

Supervisory Board meets at least twice every calendar half year. Extraordinary meetings are held whenever particular developments or measures need to be discussed or resolved at short notice. In addition, the Supervisory Board has formed six committees that are charged primarily with preparing resolutions for the Supervisory Board's plenary meetings. The Supervisory Board has delegated ultimate decision-making on specific issues to the committees.

The Supervisory Board has 20 members: 10 shareholder representatives who are elected by the Annual General Meeting and 10 employee representatives who are elected by employees in accordance with the provisions of the German Codetermination Act. The Chair of the Supervisory Board is Dr. Nikolaus von Bomhard. All members of the Supervisory Board are independent as defined by the German Corporate Governance Code. A total of 35% of the Supervisory Board are women.

Bodies involved in sustainable management

The Corporate Center and Global Business Services are responsible for defining sustainability standards and for anchoring them in Group policies. The divisions are responsible for aligning customer requirements with our strategic and ethical principles, and for anchoring the Supplier Code of Conduct in their contractual relationships.

We manage these issues and create maximum transparency with the help of clear governance structures, management systems, KPIs and targets. Relevant issues are explored or identified in the working groups, and decision papers are prepared for submission to the higher-level bodies concerned.

Changes in 2019

There were changes in the Board of Management, and Supervisory Board elections were held during the year under review.

- **Board of Management:** Effective January 1, 2019, the Post - eCommerce - Parcel division was reorganized into two separate board departments: Post & Parcel Germany and eCommerce Solutions. On the same date, Ken Allen assumed responsibility for the eCommerce Solutions

Company structures involved in sustainable management in 2019 (excerpt)



board department and was succeeded as head of the Express board department by John Pearson.

Dr. Tobias Meyer has been head of the Post & Parcel Germany board department, which had previously been managed on an interim basis by CEO Dr. Frank Appel, since April 1, 2019. In October 2019, Oscar de Bok succeeded John Gilbert as the head of the Supply Chain board department.

- **Supervisory Board:** One shareholder representative was elected in an individual vote at the Annual General Meeting: Dr. Heinrich Hiesinger. Shareholder representative Prof. Dr. Henning Kagermann stepped down from the Supervisory Board as of the end of the Annual General Meeting in May 2019. All information about the Annual General Meeting, including the CVs of the Supervisory Board members elected and the voting results, can be found on the Group website. The Corporate Governance Report and the Remuneration Report contain details of the activities of the Supervisory Board, the additional mandates held by the members and their remuneration. [2019 Annual Report](#)

Economic performance

The DHL brand was valued at US\$16.6 billion by the market research institute Kantar Millward Brown during the year under review. In its annual study, Interbrand valued the DHL brand at about US\$6 billion. For the Deutsche Post brand, the consulting company Brand Finance determined a value of €4.5 billion in 2019.

In the year under review, we generated revenue of €63,341 million and EBIT of €4,128 million. Following the resolution by the Annual General Meeting on April 27, 2019, we distributed €1,419 million in dividends for financial year 2018 to our shareholders. Information on the dividend proposal for financial year 2019 is provided in the Group Management Report. [2019 Annual Report](#)

Conservative tax strategy

The taxes and other levies that we pay to federal, state and local authorities in many different countries help maintain and expand the infrastructure there. Total income tax payments in the year under review were €843 million.

This responsibility explains why we adopt a conservative tax strategy. As a global enterprise, we have subsidiaries in so-called “low-tax” countries, among other places, but these are not tax optimization vehicles. Rather, they are a necessary part of maintaining our presence worldwide and support our business activity.

Our global team of tax experts ensures that possible taxation risks are identified, and hence mitigated, at an early stage, and that national and international tax compliance requirements are met, thus ensuring due and proper taxation throughout the Group.

Wages and salaries

Staff costs include wages, salaries and compensation, retirement benefits, and all other benefits paid to Group employees for their work during the financial year, plus social charges, including mandatory statutory contributions and particularly social security contributions. Staff costs amounted to €21,610 million (2018: €20,825 million), or 34.1% of Group revenue, in the year under review.

In 2019, the total remuneration paid to active Board of Management members amounted to €13.6 million (2018: €11.4 million); total remuneration for the Supervisory Board was €2.6 million (2018: €2.7 million). These figures include share-based remuneration. Remuneration paid to the Board of Management and the Supervisory Board represents 0.07% of staff costs. Please refer to the Remuneration Report for further details on the Board of Management and Supervisory Board remuneration. [2019 Annual Report](#)

Defined benefit and defined contribution pension plans

We offer defined benefit and/or defined contribution pension plans from which about 70% of Group employees benefit. Our largest pension plans operate in Germany, the United Kingdom, the United States, the Netherlands and Switzerland. In the year under review, pension plans accounted for €688 million (2018: €846 million) of staff costs.

When investing pension assets, we take not only an economic but also a sustainable approach that is primarily based on the integration of ESG criteria. When selecting asset managers, we give preference to those who consider ESG aspects in their investment processes and those providers who have signed up to the UN Principles for Responsible Investment (PRI). We also determine the ESG score and carbon footprint for our pension portfolio in Germany. In February 2020, we won the Special Prize at the German ESG Pensions Award for our investment strategy. More detailed information on our pension plans is available in the notes to the consolidated financial statements in the 2019 Annual Report.

🔗 2019 Annual Report

Sustainable technologies

We invest continually in renewing and modernizing our hubs, networks, and road and air fleets. One focus of our investment policy is on technological developments. For example, we have further extended our pioneering role in the development of electric delivery vehicles. Investment expenditures in acquired property, plant and equipment and intangible assets amounted to €3.6 million in the year under review. Our Strategy 2025 has earmarked an investment volume of €2 billion for digitalization. A detailed report on the investments made in the financial year can be found in our Group Management Report. 🔗 2019 Annual Report



Using innovative technologies

New business models are emerging rapidly in all sectors of the economy, particularly in connection with the digital transformation process. Innovations are the driving force within our industry and an important way of enhancing our competitiveness and future success while also adding value for our customers, whom we also include in our development processes.

The Corporate Incubations board department is the home for projects that are developing new business models. Our Start-up Lab lets employees contribute their own suggestions for new business ideas. One successful example is the TRAILAR project for equipping trucks and trailers with solar mats. ➔ Page 67

Real-world use cases

We are using existing technologies to continue the automation of our logistics processes, make supply chains more stable and secure, and improve carbon efficiency. Our employees benefit from this as well, as these innovations also ease their workload.

- We are already using collaborative robots for picking and for artificial intelligence (AI) applications, and are conducting field tests with self-driving vehicles.



- We use AI to publish logistics data in our quarterly DHL Global Trade Barometer as an aid to investment and supply chain decision-making. AI is also incorporated in our own security concepts.

- Our Resilience360 product uses big data, predictive analytics and algorithms to monitor supply chains. Potential incidents are identified and managed in near real time.

Social, economic and technological trends

We identify and analyze important social, economic and technological trends so as to maintain our leading position in today's constantly changing business environment. We published trend reports on the following areas in the year under review, which are available for download from our Group website.



- **Alternative fuels:** Over the next 10 to 20 years, sustainable fuels will play a critical role in efforts to reduce the impact of transport on the climate. Our white paper on this topic summarizes the current discussion surrounding sustainable fuels and identifies the types of fuels and technologies that are needed to create climate-neutral logistics.



- **Smart packaging:** What are the trends driving the need to urgently rethink packaging, and how will individual industries and their packaging needs evolve? We offer insights on how packaging innovations will facilitate greener and more efficient logistics operations across all sectors.

- **Globalization holding up under pressure:** We updated the DHL Global Connectedness Index together with the NYU Stern School of Business. This index provides an overview of recent developments in international flows of capital, trade, information and people.

Our goal: Customer satisfaction

Becoming our customers' Provider of Choice is one of our three strategic goals. We regularly conduct customer satisfaction surveys, quantify satisfaction levels using key performance indicators (KPIs) and pursue clearly defined targets.

Continuously improving our performance

Our FIRST CHOICE methodology – based on Six Sigma, Lean and change management techniques – is an effective way of increasing customer satisfaction and loyalty. We use FIRST CHOICE to systematically and continuously improve our own processes, services and products, and also work together with customers to develop enhanced solutions.

FIRST CHOICE – our achievements since 2006

FIRST CHOICE

- >38,000 managers and employees trained
- >31,000 improvement initiatives implemented
- >180,000 employees involved in performance dialogues every day
- >170 customer satisfaction surveys commissioned and analyzed¹⁾

1) Not included in the review.

Our performance dialogues not only focus attention on our KPIs and defined targets, but also help employees become more aware of how they can improve processes and quality standards in their immediate working environments. Other tools, including simple problem-solving techniques, are then used to help with implementation. In addition, a variety of

communications channels encourage information sharing among employees and motivate them to use the available methods and tools to drive potential improvements. This creates a common appreciation for the goals and benefits of our culture of continuous improvement, and so lays the foundation for effective, customer-centric innovation management. We use systematic surveys to measure satisfaction levels among our customers and also gain valuable information from analyzing customer complaints.

High levels of service

We take a systematic approach to improving the quality of our services across all divisions. The way we measure customer satisfaction is based in part on the Net Promoter Approach and is also tailored to the business models and customer profiles involved.

- **Post & Parcel Germany:** Approximately 92% of letters in Germany reached their destinations the next working day (D+1) in the year under review. Parcels reached their destinations the next working day around 83% of the time. Our 26,000 or so sales outlets were open for business an average of 55 hours per week.



- **Express:** We aspire to continually improve our service and our quality. We use a variety of programs to monitor our customers' ever-changing requirements. In addition, our managers actively reach out to dissatisfied customers. Our quality control centers track shipments across the globe and dynamically adjust our processes as required. Operational safety, compliance with standards and ser-

vice quality at our facilities are reviewed regularly in cooperation with the authorities. Approximately 360 of our sites are TAPA-certified and we have worldwide ISO 9001:2015 certification.



- **Global Forwarding, Freight:** In the Global Forwarding business unit, we use customer feedback to systematically improve our offering. To that end, we completed about 40 projects and held 1,700 workshops during the year under review. In the Freight business unit, we expanded our customer satisfaction survey to cover 30 countries and implemented more than 200 initiatives.
- **Supply Chain:** We make sure we meet or exceed customer expectations using standardized processes and solutions, and with the support of quality experts at all sites. We follow up immediately when customers are dissatisfied – something that has a huge impact on satisfaction and loyalty.
- **eCommerce Solutions:** We made significant improvements in delivery quality in most countries in 2019. We achieved delivery quality of over 97% in the United States and we were able to increase it by about 10% in India despite challenging geography and at times difficult infrastructure. Overall, our delivery quality in the Asia Pacific region was 96% to 98% in 2019.

RESILIENCE & INTEGRITY

40	Preventing corruption & bribery	46	Compliance
			Compliance management system
			Export controls & foreign trade
			Data protection & security
41	Codes of conduct & other policies		
43	Risk detection & crisis management	50	Working with suppliers



RESILIENCE & INTEGRITY ✓

Preventing corruption & bribery

We provide our services in accordance with the law and our own values. Our material issues (GRI) also include the information required by law on anti-corruption and bribery matters, and the information on respect for human rights.

Policies (also GRI management approach)

Our focus is on preventing potential violations of legal or internal Group requirements. We have implemented effective measures to prevent corruption and bribery throughout the Group in the form of our compliance management system. The Chief Compliance Officer, who reports directly to the Chief Financial Officer, is responsible for the system's design. Corporate Procurement defines the principles for supplier management and ensures that standardized processes for supplier selection and drafting contracts exist. The Chief Procurement Officer reports directly to the CEO.

- **Anti-corruption & bribery:** We observe all applicable international anti-corruption standards and laws, and are a member of the Partnering Against Corruption Initiative. Our Code of Conduct and our Anti-Corruption Policy help employees identify situations in which the integrity of the company could be called into question in respect of relevant third parties. Our employees can report potential violations around the clock using a compliance hotline and a special web application. External whistleblowers can use a form on the Group's website. Information on relevant violations is included in the regular compliance reporting to the Board of Management and to the Supervisory Board's Finance and Audit Committee.
- **Respect for human rights:** Respect for human rights is an explicit requirement of our Supplier Code of Conduct, which is a binding component of the Group's contracts with all suppliers and service providers. By signing up to it, our business partners undertake to comply with our ethical principles and are encouraged to implement them in their own supply chains.

Measures & KPIs

Violations of anti-corruption and bribery requirements are recorded by Compliance.

- **Anti-corruption & bribery:** The Global Compliance Office (GCO) develops standards for the management system and provides support for the corresponding activities in the divisions. All relevant activities and reporting content prepared by the compliance officers in the divisions and the GCO are included in the quarterly report to the full Board of Management and the annual report to the Supervisory Board's Finance and Audit Committee.
- **Respect for human rights:** Corporate Procurement defines the standards for procurement processes, is responsible for designing the Corporate Procurement Policy and determines the selection processes for suppliers. In line with our Corporate Procurement Policy, preference is given to suppliers with high environmental and social standards. Supplier selection is based on a standardized, multistep evaluation process. We also continually train Procurement staff so as to raise their awareness of the need to identify additional potential risks at an early stage.

Results & objectives

Our compliance training materials were revised in 2019 and rolled out throughout the Group as planned, and in accordance with the guidelines amended in the preceding year. Training courses for additional target groups were also developed. We used our Group-wide campaign marking International Anti-Corruption Day to inform employees and managers about anti-corruption measures and how they can contribute to these. In addition, regular audits by Corporate Internal Audit were performed that focused closely on compliance with the Supplier Code of Conduct in procurement processes.

Information on additional activities beyond the mandatory disclosures required by the German Commercial Code (HGB) can be found in the subsequent pages of this chapter. ➔

Codes of conduct & other policies

Values such as integrity, transparency, equal opportunities and responsibility, which we group together under the terms Respect & Results, are a binding benchmark for conduct within the Group. Respect for human rights as defined by the principles of the Universal Declaration of Human Rights and the UN Global Compact is at the heart of our actions. This sends a signal to our stakeholders and the general public: Deutsche Post DHL Group is a trustworthy partner that successfully combines service with a sense of responsibility and environmental awareness.

Our values are anchored in our Code of Conduct and specified in greater detail in our Supplier Code of Conduct. Taken together, these two codes constitute our human rights policy, and we have therefore not formulated a separate policy in this area to date. The Board Member for Human Resources is responsible for ensuring compliance with the human rights policy in connection with employee relations. The standards outlined in the Supplier Code of Conduct are formulated by Corporate Procurement and are included as a mandatory annex in Group contracts. The two codes of conduct are

regularly reviewed to ensure they remain up to date and complete, and their content is modified or supplemented as necessary. The current versions, which we have translated into more than 20 languages, have been in effect since 2016. We also offer a training module for suppliers on the Group website.



HUMAN RIGHTS POLICY = CODE OF CONDUCT + SUPPLIER CODE OF CONDUCT

In addition to the two codes of conduct, there are other Group-wide or regional policies and guidelines that are based on or derived from them. In the context of this chapter, examples include the Anti-Corruption Policy, the Business Ethics Policy, the Corporate Procurement Policy, the Data Privacy Policy and the Corporate Security Policy.

Deutsche Post DHL Group policies

Code of Conduct Supplier Code of Conduct

(together these constitute our human rights policy)

- Guided by the principles of the Universal Declaration of Human Rights and the UN Global Compact
- Observe the principles of the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, which was adopted in 1998, and the OECD Guidelines for Multinational Enterprises

Other Group policies (excerpt)

- Anti-Corruption and Business Ethics Policy¹⁾
- Environmental and Energy Policy
- Investment Policy¹⁾
- Corporate Procurement Policy¹⁾
- Data Privacy Policy
- Corporate Security Policy¹⁾
- Occupational Health & Safety Policy Statement
- Competition Compliance Policy¹⁾
- Sponsorship Guideline¹⁾



¹⁾ Not available to the public.

Specific requirements set out in the Supplier Code of Conduct

Whereas the principles in the Code of Conduct for our employees are largely self-explanatory, we have set out our requirements in the Supplier Code of Conduct in greater detail. Our ethical and environmental standards are presented clearly and unambiguously, and we encourage our suppliers to apply them to their own supply chains. Extract from the Supplier Code of Conduct:

- **Child labor:** No employment of children below the legal minimum working age. In countries where no legal provisions exist, the minimum hiring age is 15.
- **Forced labor:** No forced, bonded or involuntary labor. Employees must not be required to pay fees or make payments of any kind in return for employment. Punishments and physical and mental coercion are not permitted.
- **Compensation and working hours:** National laws and binding industry standards on working hours, overtime and compensation apply. Employees must be paid promptly and provided with clear and unambiguous information about the basis for payment.
- **Freedom of association and collective bargaining:** Employees are free to decide whether to join a union or employee representative body, and if so, which one. The right to collective bargaining in accordance with applicable laws is to be respected.

- **Diversity:** Measures must be taken to encourage inclusion in the workplace. We do not discriminate or tolerate discrimination based on gender, race, religion, age, disability, sexual orientation or identity, national origin or any other characteristic protected under law.
- **Occupational safety:** Compliance with the applicable occupational health and safety regulations, and responsibility for a safe and healthy work environment, must be ensured.
- **Business continuity:** Preparations for business disruptions of all kinds must have been made. Contingency plans must exist to protect both employees and the environment as far as possible from the effects of any disasters occurring in the vicinity of the supplier's operations.
- **Bribery:** Suppliers must comply with applicable international anti-corruption standards as set out in the United Nations Global Compact and in local anti-corruption and bribery laws.
- **Environment:** Compliance with all applicable environmental laws, regulations and standards must be ensured, and an effective system to identify and eliminate potential hazards to the environment must be in operation. Climate protection must be afforded sufficient importance in internal operations, for example by setting and achieving climate protection goals.

Dealing with violations

Any suspected violations of legal and internal rules – including, for example, the human rights policy i.e., the codes of conduct – can always be reported by employees and external staff using the compliance hotline. Compliance violations can be reported by name or anonymously, where this is permitted by local law. Third parties can report their suspicions via the Group website.

Compliance hotline

Web application and telephone hotline

Available 24 hours a day worldwide

>30 languages



Donations & gifts

We build trust by dealing openly and transparently with public authorities. We maintain correct and lawful relationships with all governmental and supervisory authorities, and operate in a straightforward, transparent manner and in accordance with applicable laws and regulations at all times. Our Group-wide Anti-Corruption and Business Ethics Policy sets out the rules for dealing with donations and gifts to political parties and state institutions. This policy therefore applies for all regions and countries in which Deutsche Post DHL Group operates. Our employees are not authorized to make donations on the Group's behalf to political parties or to organizations affiliated with them, to government authorities, or to other public institutions. This policy applies along with relevant regional laws and regulations to gifts and entertainment from representatives of national and municipal governments.

Creating transparency

Wherever a transparency register exists, for example in the EU, we report voluntarily on the type, scope and financing of the activities we pursue to support our business interests. We have been registered in the EU's transparency register since 2011. We also publicly announce our spending in the United States.



However, this does not prevent our employees from exercising their rights within applicable law, such as organizing and running political action committees (PACs) in the United States. This term is used in the United States to designate organizations established by interest groups, businesses or private individuals for the purpose of collecting funds to support or oppose candidates for political office. PACs are subject to legal regulations that, among other things, stipulate caps on donations to individual candidates and political parties.

Risk detection & crisis management

One focus of our risk detection activities is on our material issues. Our stakeholders agree that compliance, data protection and data security, and standards in the value chain are critical to our business success. Violations of our policies in these areas could seriously harm the reputation of our company.

Evaluating the financial impact of opportunities and risks

The expected financial impact of potential events, developments and trends is included in our business planning. Opportunities and risks are defined as potential deviations from projected earnings. In addition, we use our opportunity and risk management system to capture possible effects on our reputation and monitor the development of issues from the point of view of sustainability, which includes factors such as litigation, HR matters and environmental aspects.

Each quarter, management estimates the impact of future scenarios, evaluates the opportunities and risks for individual divisions and departments, and presents both planned measures and those already implemented. Data is requested and approvals are given via the company's hierarchy 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 and assessment of opportunities and risks follows uniform Group-wide reporting standards. We are constantly updating and improving the IT application used for this purpose. Opportunities and risks relevant to the year under review are reported by category in the Group Management Report. 2019 Annual Report

Internal Audit

Corporate Internal Audit takes a systematic and targeted approach when evaluating the effectiveness of our risk management system, control mechanisms, and management and monitoring processes, contributing to their improvement. In this way, the department supports the Group in achieving its internal objectives. It does this by performing independent regular and ad hoc audits at all Group companies and at corporate headquarters with the authority of the Board of Management.

The audit teams examine local processes and assess whether these are suitable for reaching defined objectives and values. Where weaknesses are revealed, the teams specify remedial measures and systematically track their implementation.

Every year, Corporate Internal Audit develops a risk-based audit plan covering all divisions and functions, building on its own risk analyses to do so. The audit teams discuss the audit findings and agree on measures for improvement with the audited organizational units and their management. The Board of Management is regularly informed of the findings, while the Supervisory Board is provided with a summary once a year.

Progress and results during the year under review

During the year under review, 241 regular audits and about 90 follow-up audits were conducted on site, including audits related to compliance issues or to compliance with the Supplier Code of Conduct in procurement processes. In addition to verifying compliance with the codes of conduct, the audits also check whether the agreed measures have been implemented as required. We also examined the processes used in the Employee Opinion Survey.

Internal audit planning and execution



Supply chain resilience

As a global logistics company, we too are affected by a large number of developments that impact our business processes and the resilience of our supply chains, and that may also affect our reputation or our employees and their families. As global trade grows, so does the risk that our globally networked supply chains become targets of criminal activity, such as cyberattacks on our extensive IT networks.

We have made extensive preparations for these challenges, taking a variety of approaches to safeguard our business operations even in a crisis. We use our Group-wide security management system, which is certified according to ISO 28000, to protect our employees, the goods entrusted to us by our customers, and our own tangible and intangible assets.

“WE’RE WELL-PREPARED. WE’RE READY TO TAKE ACTION IN A CRISIS.”

Frank Ewald
Head of Corporate Security and Crisis Management

Organization

- The Internal Security Steering Committee coordinates and manages all strategic security activities and initiatives and reports to the Operations Board on current security-related developments and activities.
- The specialists in the Counter-crime Working Group analyze current crime phenomena affecting our supply chains, implement crime-prevention measures and investigate security-related incidents.

- Our team of security analysts at the Global Security Situation Center (GSSC) uses defined indicators to identify and assess strategically relevant risks and trends. Changes in the operating situation are tracked in near real time. Security reports and trend reports are regularly presented to management and discussed by the Board of Management.

Corporate security bodies



Progress and results during the year under review

Our security experts supported Internal Audit in its audits of divisional security management systems. We have also continued our dialogue with security authorities, and are actively involved in national and international security bodies and institutions. Our expertise not only allows us to contribute to security policy solutions but also to establish Deutsche Post DHL Group as a relevant security partner. Beyond these issues, we focused primarily on the use of AI and of digitalization, automation and robotics. Additionally, we held cross-functional workshops in which crisis situations including cybercrises and pandemics were simulated.

Protecting IT systems

Our systematic IT management protects the Group's IT systems from unauthorized access or manipulation and ensures uninterrupted availability and secure, reliable operations.

Our guidelines and procedures for safeguarding our IT systems are based on the international standard in this area, ISO 27002. The three central IT locations are certified to this standard. In addition, four central functions – Group Risk Management, IT Audit, Data Protection and Corporate Security – monitor and assess IT risk on an ongoing basis. Employees are granted access to our systems and data only to the extent required to perform their tasks.

Systems and data are backed up regularly, and critical data are replicated in the data centers. We operate data centers at various locations around the world in order to prevent complete system outages. Additionally, by performing regular software updates we can fix potential security vulnerabilities and protect system functionality.



Compliance

As a global logistics provider, we operate in a wide range of countries with very different political systems, laws and cultural values. Acting in an ethically and legally irreproachable way in our dealings with business partners, shareholders and the public is a key factor in our company's reputation and the basis for Deutsche Post DHL Group's lasting success. Ensuring legally compliant conduct in our business activities and when dealing with our employees is an essential task of all of the Group's management bodies. In this section, we also report on the material issues of preventing corruption and bribery, and data protection and data security.

Systematic compliance management

Corruption causes more than just financial damage. The intangible, abstract and scarcely measurable harm done by corruption is just as serious. The World Economic Forum estimates that corruption causes several trillion US dollars of economic losses, while the World Bank says that businesses and individuals pay bribes worth more than a trillion US dollars a year.

We observe all applicable international anti-corruption standards and laws, such as those set out in the UN Global Compact, the US Foreign Corrupt Practices Act and the UK Bribery Act. We are also a member of the World Economic Forum's Partnering Against Corruption Initiative. The rules for ethical conduct defined in our codes of conduct are set out in greater detail in our Anti-Corruption Policy, which also defines how to deal with donations and gifts to political parties and government institutions.

Our compliance organization focuses on preventing violations of our own standards and of the legal requirements. Our compliance management system implements clear lines of responsibility and reporting structures, and effective monitoring mechanisms throughout the Group. Our objective is to be proactive and to prevent the rules being breached or ignored by providing clear communication and guidance. Creating a culture of openness around compliance issues is pivotal to the success of the measures we undertake.

Organization and reporting

The Chief Compliance Officer is responsible for the design of the compliance management system. He is assisted in this task by the Global Compliance Office, which establishes Group-wide standards for compliance management and supports corresponding activities in the divisions. Each division has a compliance officer, who can draw on additional local resources and who reports regularly to the divisional board of management in question. All activities by, and reporting content from, the compliance officers in the divisions and from the Global Compliance Office are included in the quarterly report to the Board of Management and the annual report to the Supervisory Board's Finance and Audit Committee. Compliance issues also form part of the audits commissioned by the Board of Management and performed by Corporate Internal Audit. [Page 44](#)

Elements of the compliance management system

Continuous analysis of the Group's specific risk profile is of fundamental importance for determining the system's

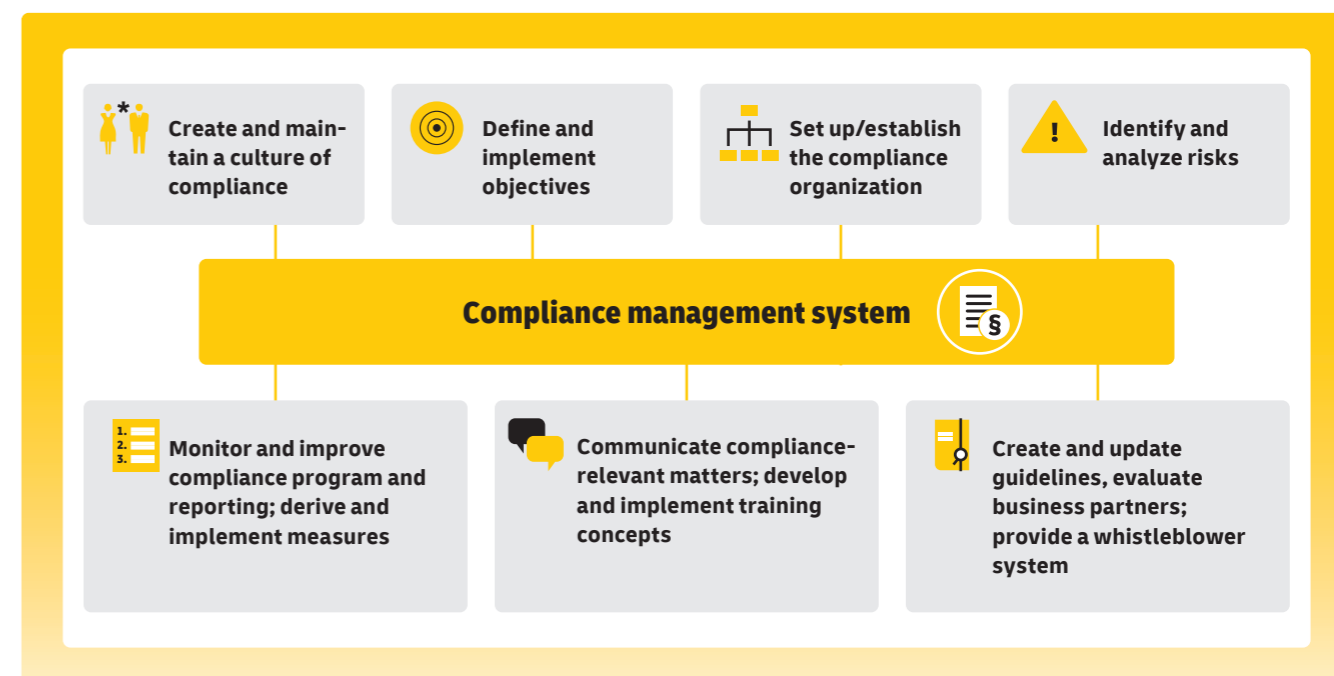
direction and future development. The main focus is on topics such as bribery and corruption, antitrust and competition law, and fraud and embezzlement. Insights gained from compliance audits and reported violations are also used to continually improve and enhance the system.

Reporting suspicious activity

We want our employees to be alert to potential compliance violations and to report any suspicion of them to their managers or via the compliance hotline. A special web application and the hotline, which is available in roughly 150 countries and in 30 different languages, are available 24/7 for this purpose. Compliance violations can be reported by name or anonymously, where this is permitted by local law. External whistleblowers can use a form on the Group website. [Page 42](#)

All reported violations are handled confidentially. We follow up on every tip and uncompromisingly pursue serious evidence of violations. Internal media are used to ensure that all employees are aware of the reporting systems and

Elements of the compliance management system



procedures available to them as well as whom to contact within the local compliance organization. Information regarding relevant compliance violations is included in the reports to the Board of Management and the Supervisory Board's Finance and Audit Committee.

Raising awareness of compliance issues

We expect our managers to lead by example and to communicate our corporate culture, principles and values to both employees and business partners. Managers and employees whose work puts them at greater risk undergo training, which includes online components. This modular training course includes units on the Code of Conduct, anti-corruption matters and competition law. Depending on their function, employees are required to complete either the entire curriculum or selected training modules.

Results in the year under review

We updated our training materials and courses as planned to reflect the policy changes we made in the previous year and rolled them out in the Group. In addition, we developed other training courses for specific target groups. We used our Group-wide information campaign marking International Anti-Corruption Day on December 9, 2019, to inform employees and managers about anti-corruption measures.

In the year under review, a total of 241 regular audits that were either directly or indirectly related to compliance were conducted by Corporate Internal Audit. A number of ad hoc audits were also performed. The audits supplement the Group-wide monitoring system and support ongoing compliance activities. They help to identify additional compliance risks and to continuously enhance the compliance program. Their findings are also used to review existing audit criteria for topicality and completeness.

Export controls & foreign trade

Cross-border transactions involving goods and services are often subject to a wide range of legal requirements. The framework for customs, export controls and sanctions is becoming increasingly complex. Violations are usually subject to criminal prosecution – both in the EU and at the international level. We have formulated Group policies and implemented appropriate organizational structures, processes and internal control systems to ensure that our international transportation services consistently comply with these steadily growing and regionally varying requirements. We review and optimize them on an ongoing basis and give our employees regular training to ensure ongoing compliance with the law – not only for ourselves but also for our customers and business partners.



“MANAGERS AND EMPLOYEES CAN LEAD BY EXAMPLE BY EXERCISING DUE CARE WHEN DEALING WITH THIRD PARTIES.”

Melanie Kreis
Board Member
Finance

 **Data protection & security**

As digitalization increases across all spheres of life, individuals' right of self-determination with respect to personal information is also becoming more and more important. As a multinational company whose business model is based on connecting people and exchanging information, some of which is sensitive, we believe we have a special responsibility to protect personal data. Many countries around the world have already set out the requirements for processing personal information in data protection legislation. Businesses face the challenge of having to familiarize themselves with these sometimes very different requirements in order to process personal data in compliance with the regulations concerned.

Our Data Privacy Policy sets out the global minimum standards for the Group. This enables our employees throughout the Group to handle personal data in accordance with the legal requirements, while strengthening our reputation as a reliable partner for our customers and a trustworthy employer. Through our active involvement in key internal and external specialist bodies, we help shape national and international data privacy requirements on an ongoing basis while monitoring their impact on our own business.

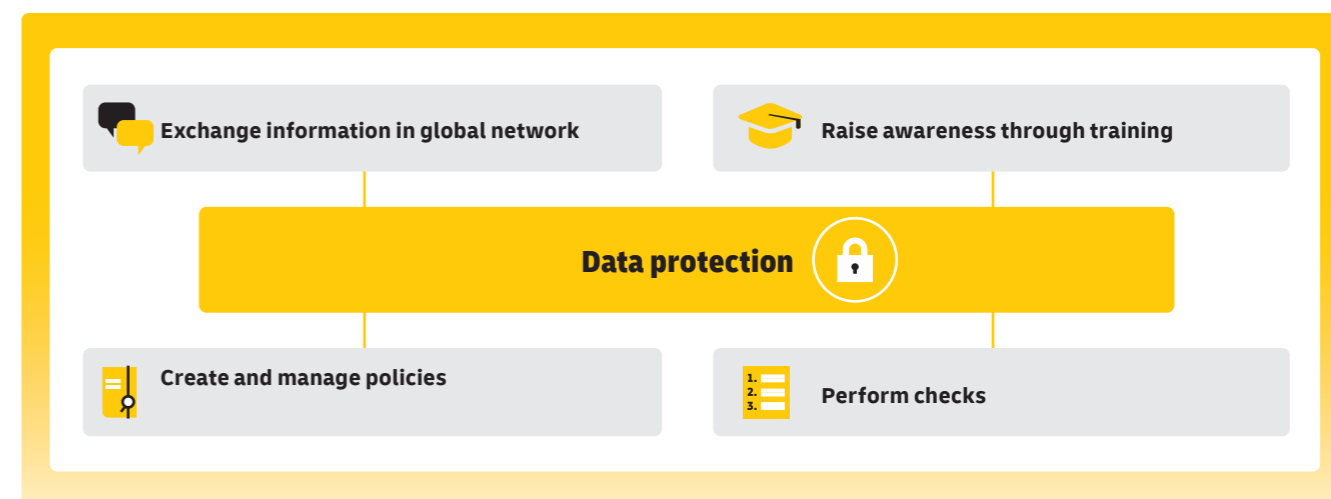
Our Data Privacy Policy sets out basic principles regarding the treatment of personal data and provides information on the rights of data subjects, including the right to information about stored data or to its deletion. Other guidelines derived from this policy outline processes and requirements for specific topics in greater detail; these include the processing of human resources data and direct marketing and e-commerce activities.

Data protection management

The Corporate Data Protection Officer monitors implementation of the Data Privacy Policy, and is supported in this task by data protection officers, advisers and coordinators at all sites and at all levels of the Group. Legal advice, a comprehensive training program and our internal audits ensure compliance both with our Data Privacy Policy and with national data protection regulations. Implementation of our Data Privacy Policy is also subject to regular external third-party review.

The “Protecting IT systems” section of this report provides information on the technical measures we take to protect both personal and business data from unauthorized access, disclosure or manipulation. High data protection standards are integral to our brand. Equally, our stakeholders consider data privacy to be critical to our business success. Our data privacy

Data protection management system



management system, consisting of the following elements, enables Group-wide compliance with the relevant standards:

- A global network of data privacy experts and advisers on all levels ensures that knowledge and information on relevant data privacy issues are shared.
- Online training courses raise awareness for this topic among employees; these courses are mandatory for managers. In addition, we offer on-site courses and customized programs for employees in certain functions, such as sales staff. An additional training module is also available as part of the Certified initiative. Data privacy guidelines and policies are reviewed on an ongoing basis and updated as necessary.
- We perform annual audits to verify compliance with the Group Data Privacy Policy and locally applicable requirements. Privacy impact assessments are also conducted with local contacts on the basis of detailed questionnaires.

Results & progress in 2019

The mandatory privacy impact assessments and documentation requirements were standardized by means of a software solution – our privacy portal – in 2018, and serve as a fundamental basis for our data protection management system. The functionality of the portal has been extended and process steps improved. A research tool was also developed and integrated into the data protection network. The contracts used to commission intragroup service providers (processing by a processor) and the associated processes were also optimized and simplified.

An additional online training module enables employees to familiarize themselves more easily with the key requirements of the European Union’s GDPR. In addition, we provided information about selected data protection issues in various communications campaigns. A data protection module was also rolled out for the Certified initiative and added to the course catalogue as planned; it is now available in more than ten languages.

Working with suppliers

Our ability to successfully manage our global supplier network is a critical competitive factor. Our supplier relationships are regulated by our Supplier Code of Conduct. Suppliers signing contracts with Deutsche Post DHL Group must undertake to comply with the company’s environmental goals and ethical values, and are encouraged to implement the same standards in their own supply chains. Supplier management is a key component of our procurement process, along with the operational tasks performed by Corporate Procurement. It enables us to improve the security of supply and add value by working closely together, and helps us above all to implement our standards in the supply chain. The main focus of supplier management is on those strategically relevant suppliers who play a key role in value creation at the Group. We offer our employees comprehensive training designed to sensitize them to the risks that can arise in the procurement process.

Managing and measuring success

Corporate Procurement sets the standards for procurement processes, is responsible for designing the Corporate Procurement Policy and defines the selection process for suppliers. As head of a central Global Business Services function, the Chief Procurement Officer reports directly to the Chief Executive Officer.

Annual procurement expenses in 2019 amounted to around €11.4 billion. This includes the costs of upgrading our fleets and sites. In addition to being responsible for central procurement measures, Procurement staff advise the divisions on calls for tender (e.g. when acquiring airplanes) down to the point at which contracts are signed, and on supplier management. The standards applicable to all procurement measures are defined in the Corporate Procurement Policy and as such are binding for all Group companies.

Anchoring values in our supply chain

- **Employee development**
- **Target for 2019:** Perform Certified initiative training. Status:  Achieved
- **Target for 2020:** Continue Certified initiative training
- **Include environmental and social standards as a binding selection criterion for the supplier selection process**
- **Target for 2019:** Prepare rollout throughout the Group. Status:  Achieved
- **Target for 2020:** Implement standards throughout the Group. Follow-up measures are to be developed over the course of the year

Supplier management

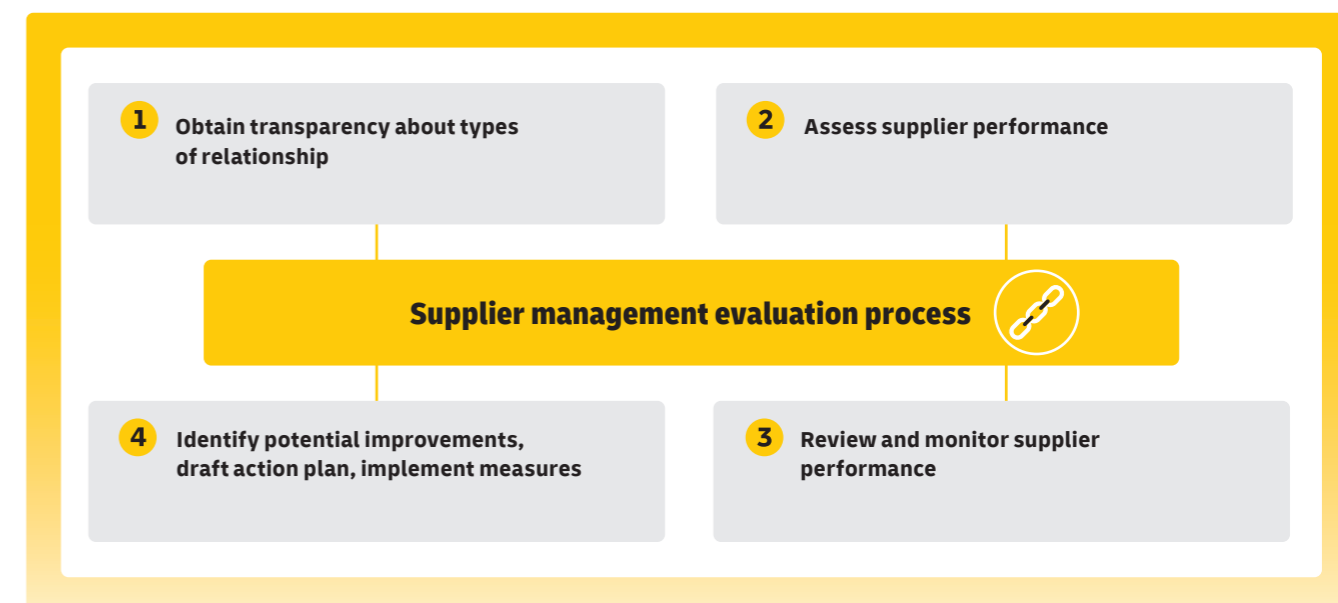
An objective selection process incorporating risk assessment

The goal of our standardized, multistep selection process is to ensure that, right from the tender stage, only bidders who share our values are invited to participate. Suppliers can use our interactive training module on the Supplier Code of Conduct in advance to learn about our requirements.



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

Our four-step process for evaluating strategic partners



Ongoing supplier screening

A standardized supplier monitoring and evaluation process is an integral component of our procurement platform, which we use to manage all procurement processes throughout the Group. Suppliers assigned to certain risk categories in our Anti-Corruption Policy are evaluated regularly as part of our due diligence screening. Our activities are also aligned with external standards, such as those defined by the United Nations, in order to take country-specific factors into account more effectively.

The results of the evaluation are documented and stored on the procurement platform. All Procurement staff have simultaneous access to complete supplier profiles so that all can make decisions based on the same information. This ensures that suppliers who pose an increased legal compliance or reputational risk for the Group or who fail to demonstrate ethical pricing practices are not considered for contracts.

BUILDING MUTUALLY BENEFICIAL LONG-TERM RELATIONSHIPS

Building lasting relationships

When signing contracts, we aim to enter into long-term, mutually beneficial relationships with our suppliers – relationships that will allow us to learn from one another and develop together. To achieve this, we systematically evaluate supplier relationships using a multistep process. Where we identify suppliers with competencies that are of particular importance for our business – such as innovators in the fields of green technologies and IT – we intensify our dialogue with them, with the aim of working together to develop innovative ideas.

Raising staff awareness

We specially train Procurement staff to sensitize them to the risks involved in procurement negotiations – such as corruption and anticompetitive practices – so that they are equipped to identify these early on and to resolve conflicts in line with our policies. As part of our Group-wide Certified initiative, we offer a training module that was jointly developed by

Corporate Procurement, Corporate Security, Corporate Legal and Compliance. In the course of this two-day workshop, participants learn how to correctly apply the Supplier Code of Conduct, the Anti-Corruption Policy and the Competition Compliance Policy. Employees from other areas can also take part in the training as a way to enhance their knowledge and skills. Additionally, the interactive training module for suppliers is mandatory for Procurement staff.

Identifying and pursuing violations

As a matter of principle, we trust our suppliers and business partners to comply with the terms of our agreements and only monitor compliance using random checks. Suppliers are mainly selected for such checks on the basis of their economic and strategic significance for the Group and the results of our risk assessment. Group functions such as HR and Compliance are included in this decision.

If we receive specific information that a supplier has violated our agreements or the provisions of the Code, we review the situation and prepare an action plan with specific implementation deadlines. Depending on the severity of the violation, these measures can also include terminating the business relationship.

Results & progress in 2019

We focused on preparing the rollout of the selection criteria throughout the Group in the year under review. All divisions now have access to our centralized procurement management system. This means that all compliance officers across the divisions can also access the questionnaires completed by the suppliers. As a result, everything is now in place to enable Group-wide verification of our requirements for all suppliers. Internal Audit is involved in the processes.

EMPLOYEES

54	Employee matters	64	Motivation & satisfaction
56	Workforce diversity	67	Employee development
61	Human rights & employee relations	70	Occupational health & safety



EMPLOYEES ✓

Employee matters

More than half a million people work for Deutsche Post DHL Group in 200 countries, making us one of the world's largest employers in the transportation and logistics sector. Our Code of Conduct embeds our understanding of ethically and legally correct conduct across the Group. We want to be the Employer of Choice in our industry.

We are committed to respecting human rights, to equal-opportunity recruitment and employment, and to promoting health and safety in the workplace. Our Diversity and Inclusion Statement also clearly spells out our position. For us, "diversity" includes all differences that make us unique as individuals; this extends beyond gender, national or ethnic origin, religion, age, sexual orientation and identity, disability or any other characteristic protected under law.

Policies (also GRI management approach)

All around the world, we need to make our jobs attractive so that we can retain our employees over the long term, provide them with development opportunities, and safeguard succession planning in the Group. The main challenges this raises involve adapting our HR concepts to keep pace with a rapidly transforming working world, while also meeting the demands of demographic change. We see the process of increasing digitalization as an opportunity and aim to support our employees along this shared journey by offering flexible and age-appropriate learning opportunities.

The HR Board, which is chaired by the Board member for Human Resources, is responsible for managing such concepts. Cross-divisional and cross-functional issues, such as how to implement our values in the supply chain, are addressed by the Group's Sustainability Council (RBP Council). The Employee Relations Forum (ER Forum) acts as the steering organization for the measures put in place to ensure respect for human rights throughout the Group. The Diversity Council provides advice on enhancing diversity management in the Group's divisions. Particularly important decisions for the Group are made by the Board of Management. In addition, the Sustainability Advisory Council (SAC) provides us with external expertise and recommendations.

- **Employee matters:** Our policies seek to promote employee engagement and development, and occupational health and safety. They help us to retain staff over the long term and make us more attractive as a potential employer. Respect and results are the keys to understanding, and living, our corporate culture.
- **Respect for human rights:** As a signatory to the UN Global Compact, we implement its principles and have made respect for human rights a cornerstone of our actions. We also respect the fundamental principles set out by the International Labour Organization in its Declaration on Fundamental Principles and Rights at Work, in compliance with national laws. Our managers play a crucial role in putting our values and goals into daily practice. This is why the Code of Conduct is an integral component of their employment contracts.

Measures & KPIs

We use a variety of KPIs to measure the progress of our activities, and this consolidated information is made available to HR specialists and managers via the HR Dashboard.

- **Employee engagement:** We use the results of our annual Group-wide Employee Opinion Survey (EOS) to assess employee engagement levels. Particular weight is given to how they rate the leadership skills of their superiors. The Active Leadership KPI derived from this has been defined as a management indicator under GAS 20, and is taken into account when calculating managers' bonuses.
- **Employee development:** Our Certified training initiative develops employees into specialists in their respective areas of work. For management-level staff, dedicated Certified programs provide training in our leadership attributes. The participation rate serves as the relevant KPI.

- **Occupational safety:** As our primary focus is on accident prevention, compliance with applicable occupational health and safety policies, legal regulations and industry standards is critical. The relevant KPI is the accident rate per 200,000 hours worked (Lost Time Injury Frequency Rate – LTIFR).
- **Respect for human rights:** Our top priority is to establish a common understanding of human rights in employee relations at all levels. Our focus is therefore on raising awareness of the topic through training initiatives and ER Reviews.

Results & objectives

In the year under review, our Strategy 2025 reiterated both our goal of becoming Employer of Choice and our existing HR policies.

- **Employee Engagement:** The approval rating for the Active Leadership KPI was 78%. This brought us a significant step closer to our goal of achieving a rating of 80% throughout the Group. We plan to focus on Employee Engagement in the future and will use the overall value for this KPI for management purposes and when calculating managers' bonuses. We aim to improve Employee Engagement to 78% in 2020. We have set a target of 80% for the Group as a whole in 2025.
- **Employee development:** Around 346,000 employees have already participated in Certified training courses during 2019. This represents an average share of 69% of our workforce in the year under review. Starting in 2020, we will also place greater emphasis on developing employees with management responsibility. For example, site managers are in a position to identify individual employees' potential and can provide more effective support to help them achieve their personal goals. We aim to certify 80% of our workforce by 2020.

- **Occupational safety:** The LTIFR for the year under review was 4.2, representing a 0.1 improvement on the prior year. Nevertheless, we fell short of achieving our target of 4.0, which will be carried over to 2020. The most common causes of accidents and injury in pick-up and delivery continue to be slips, trips and falls, while manual lifting and handling of heavy loads are still the main reasons in contract logistics. We focus on consolidating a culture of workplace safety and increasing awareness for the causes of workplace accidents among managers and employees. Our communication measures and training initiatives were continued in the year under review, and will be stepped up in the future. We aim to reduce the LTIFR to 3.1 by 2025.

- **Respect for human rights:** Since the Building Great Employee Relations training course became available, around 11,000 employees with management responsibility and in HR functions have taken part. We review our offering on an ongoing basis, making adjustments as necessary. We visited sites in five countries, where we monitored compliance with local laws and with our guidelines. And in 2020 we will perform ER Reviews in Turkey, Côte d'Ivoire, Costa Rica and Slovakia, and train employees.

Information on additional activities beyond the mandatory disclosures required by the German Commercial Code (HGB) can be found in the rest of this chapter. ➔

Workforce diversity

The engagement shown by our employees and their different experiences and abilities not only mean we can achieve the best possible result for our customers each and every day, they also form the basis of our commercial success. Mutual respect, honesty and candor, and a common understanding of our goals guarantee productivity, creativity and performance at the highest possible levels.

DIVERSITY ENRICHES US AND MAKES US STRONGER

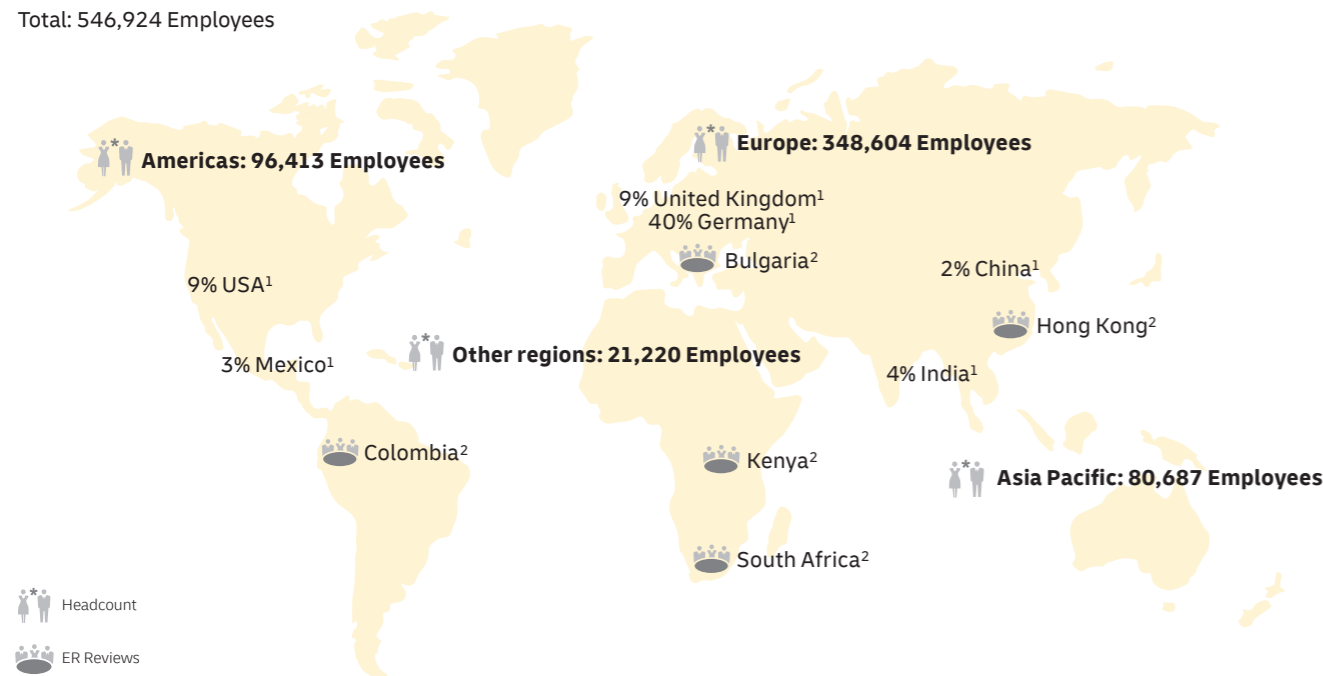
We consider diversity to be one of our company's greatest strengths. Across the Group, we employ people from a wide range of cultural backgrounds – with 175 nations represented at our German sites alone. We adopt an equal-opportunity approach when selecting both internal and external candidates for vacant positions: applicants' suitability is evaluated solely on the basis of their qualifications.

The process of digital transformation is changing existing job descriptions and creating new fields of activity. Our employee development measures provide our workforce with appropriate training in specialist areas and methods, preparing them to meet these changing requirements. Given the growing demand for logistics industry specialists and managers, strategic succession planning plays a key role in helping us retain expertise and also gain fresh ideas and insights through new hires. We use flexible working and development/training options in an effort to attract the best applicants and retain our employees over the long term.

Particularly in times of change, continuous dialogue between managers and employees is essential. In line with our six leadership attributes, managers promote open communication with employees and create a working environment that allows them to develop as individuals. One of the ways we make employees feel valued and motivated is by providing attractive remuneration, along with other elements such as flexible working time models and other initiatives to create a healthier work-life balance.

Employees (headcount) by region and ER Reviews in 2019

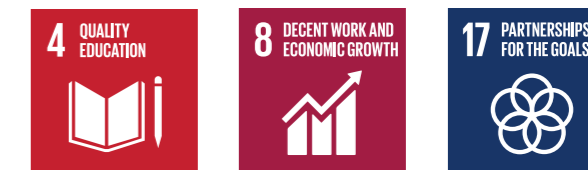
Total: 546,924 Employees



1) Countries with the most employees; headcount at year end. 2) Respect for human rights in employee relations

The health and safety of our employees in the workplace is another key priority. We promote health awareness among our staff and also provide employees outside Germany with access to health insurance. Regular training highlights potential health and safety risks, raising awareness of dangerous situations and how they can be avoided. The measures we

implement also support the United Nations' Sustainable Development Goals (SDGs).



Targets and progress in the year under review

We identified four material issues for the Group in collaboration with our stakeholders. We have set ambitious targets for each issue, and are already making progress towards them.

Respect for human rights

- KPI:** On-site reviews (ER Reviews)
- Target for 2019:** Perform ER Reviews in Europe, Asia, Africa and Latin America, and train employees
Status: Achieved Page 63
- Target for 2020:** Perform ER Reviews in Turkey, Côte d'Ivoire, Costa Rica and Slovakia, and train employees

Employee development

- KPI:** Participant rate in the Certified initiative
- Target for 2019:** Certify 69% of our workforce
Status: Achieved Page 68
- Target for 2020:** Certify 80% of our workforce by 2020

Employee engagement

- KPI:** Active Leadership approval rating in the Employee Opinion Survey
- Target for 2019:** Increase approval rating by one percentage point
Status: Achieved Page 69
- Target for 2020:** The Active Leadership indicator will be replaced with the overall value for Employee Engagement; the target for the indicator is 78%

Occupational safety

- KPI:** Accident rate per 200,000 working hours (LTIFR)
- Target for 2019:** Improve LTIFR to 4.0
Status: Not achieved Page 71
- Target for 2020:** Reduce LTIFR to 4.0
Improve LTIFR to 3.1 by 2025

Workforce structure

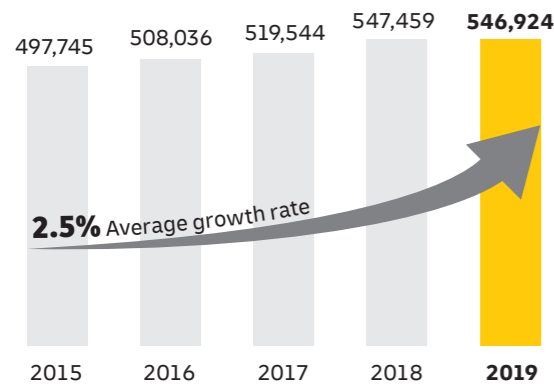
Workforce numbers remained stable compared to the previous year, testifying to the strength of our position within the postal and logistics services industry even in times of change. At the end of 2019, 546,924 people (2018: 547,459) were working for us directly. The total annual average workforce converted into full-time equivalents (FTEs) comprised 499,461 (2018: 489,571) full-time Group employees and 83,116 staff (2018: 78,822) who are external temporary personnel. [Page 98](#)

We employ 17.4% of our staff on a part-time basis, either due to operational needs or at their own request. Roughly 73,000 of these are in Germany alone. We respond to seasonal and other demand-driven peaks in volume by employing external personnel, which also helps reduce our employees' workload. We employ staff through external companies primarily in contract logistics and predominantly at our locations outside Germany. [Page 100](#)

Age structure and gender distribution constant

The average age of employees in the Group remained unchanged at 41 years old. The gender breakdown remained virtually constant too: 65.6% of positions are occupied by men and 34.4% by women. The kind of work entailed in logistics, for example deliveries and loading, requires physical strength

Headcount as of December 31, 2019



and stamina. We use new technologies and tools such as robotics and lifting slings to reduce the physical demands associated with these tasks, helping employees remain fit and active longer, and making the work more attractive to women. [Page 101](#)

A smooth transition into retirement

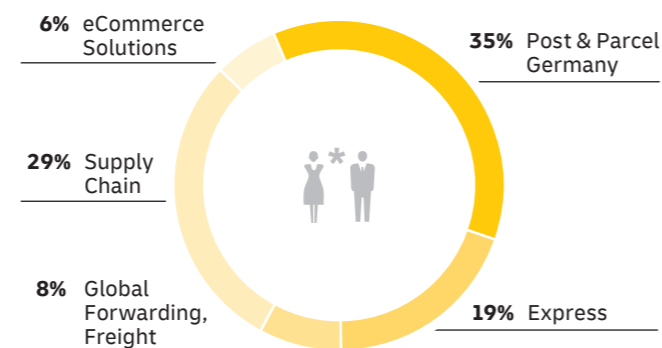
We began working with our social partner to develop a Generations Pact to encourage older employees at our principal company in Germany, Deutsche Post AG, to participate in the world of work as far back as 2011. This is financed via working-time accounts, an employer-funded top-up and a demographic fund. Under the terms of the collective agreement, employees become eligible when they reach the age of 55. Comparable options are also available to civil servants employed within the Group. [Page 101](#)

Integration & inclusivity

The way we interact with customers and colleagues is influenced by many different cultural, religious and educational experiences. Our integration- and inclusivity-driven approach offers employees the same career prospects and opportunities regardless of gender, nationality, ethnicity, religion, age, sexual orientation or identity, disability or any other characteristics protected under law.

Employees by division in 2019¹

Total: 546,924 Employees



1) 3% of employees work in Corporate Functions.

Equal opportunities for men and women

Although the proportion of female employees remained stable at one-third in the year under review, the number of female managers in the Group has steadily increased to 22.2%. This means that one in five middle and upper management positions is already occupied by a woman.

It is our aim for the Group-wide proportion of women in middle and upper management to increase to 30%; this target forms part of our Strategy 2025. In accordance with legal requirements in Germany, Deutsche Post AG's Board of Management set target quotas for 2019 for women in the top two management levels below the Board of Management. The target for the first level was 20% and was clearly exceeded, at 25%. The target of 30% for second-level managers was not achieved; the figure reached was 23.1%. More detailed information on this subject is contained in our Corporate Governance Report. [2019 Annual Report](#)

GROUP TARGET FOR 2025: 30% WOMEN IN MANAGEMENT

Deutsche Post DHL Group became the first German company to receive the prestigious 2019 Catalyst Award in recognition of our commitment to diversity and to increasing the number of women in management positions. The award is based on a comprehensive external analysis involving quantitative elements as well as site visits around the world and interviews with employees.

Including people with disabilities

In line with our inclusive approach, we offer career prospects to people with disabilities all over the world. For example, we employ people with physical and mental disabilities in a Spanish logistics center. For one customer this was a key reason why we were selected to manage their co-packing services. In Germany, we take part in events held by public authorities, showcasing not only Deutsche Post DHL Group as an employer but also the various vocational pathways available within the company. We also want to remove any hurdles that might prevent candidates from applying.

Personal data protection rules limit the individual characteristics that we are allowed to record for employees, making Group-wide data collection and analysis impossible. In Germany, employers are legally required to fill at least 5% of positions with employees with disabilities. In our principal company in Germany, Deutsche Post AG, the percentage is 9.1% – corresponding to 15,382 people including 14 in training – which is almost twice the legal requirement.

Network supporting LGBT+ employees

We established our own internal RainbowNet network for LGBT+ employees in 2008, with the aim of providing a platform where experiences can be shared. The network has members in Asia, South America and the USA as well as Europe, and primarily supports employees and managers on all matters relevant to coming out at work. Its aim is to ensure that all employees can do their job without experiencing any disadvantages, regardless of their sexual orientation and gender identity.

As a founder member of the PROUT AT WORK Foundation, we are committed to promoting an inclusive, cooperative approach that allows individuals to achieve their career goals irrespective of their sexual orientation or identity. In the year under review, we worked with representatives of our LGBT+ network to draw attention to this issue at various external events such as Christopher Street Day parades, conferences and workshops, and the Sticks & Stones job fair. In addition, we took part in a PROUT AT WORK seminar on coming out in the workplace and in a panel discussion on LGBT+ at the DiverseCity Congress.



Succession planning

Logistics companies compete for the best employees and managers, and we aim to recruit suitable junior staff and experts in all relevant markets. Strategic succession planning is an important element of our HR activities, involving talent management and targeted recruiting plus training and development measures to prepare employees for future roles.

When introducing Strategy 2025, we therefore decided to use external certifications and ratings of employee conditions in our company as benchmarks. This helps us better assess how close we have come to achieving our strategic goal of becoming Employer of Choice. We have already received Top Employer certification in all divisions. The Express division was designated the fourth-best employer worldwide by Great Place to Work, an improvement of two places over the previous year. Top Employer and Great Place to Work are two international institutions specializing in assessing corporate culture and existing HR processes.

Keeping track of our workforce structure

Internal and external applicants alike are judged on the basis of professional and personal qualifications alone. We fill vacant positions or newly-created jobs internally whenever possible and assign suitable, appropriately trained employees new responsibilities or provide opportunities for job advancement. In addition, we continually enhance our training methods and expand our HR development measures. In the year under review, we were able to fill 82.8% of vacant management positions with internal candidates. [Page 103](#)

We take both operational requirements and staff turnover data into account when planning our workforce structure. Particular attention is paid to unplanned staff turnover, for example when employees leave at their own request. At the close of the year under review, staff turnover Group-wide was 18.1% (2018: 16.6%). The corresponding value for management positions was 9.6% (2018: 7.4%). [Page 108](#)

Training and recruiting young employees

We offer a wide range of training and employment opportunities for job starters and recent graduates. Regional differences exist, especially between the vocational training systems on offer: In many regions, apprenticeship training takes the form of on-the-job training. However, in Germany and some neighboring countries, training uses a mix of on-the-job training and education in vocational schools and colleges.

5,500 TRAINEES GROUP-WIDE

We offered about 2,000 apprenticeship positions in Germany during the year under review; 97% of those positions were filled. In 2020 we will offer the same number of apprenticeships in more than 20 occupations, such as commercial training as an e-commerce specialist, and 16 integrated degree programs in Germany alone.

College and university graduates can choose from a number of trainee and graduate programs (college recruiting). Our trainee programs span several months and prepare outstanding recent graduates with bachelor's or master's degrees for careers as specialists and managers in our company. The programs are practice-based and are organized in modules that also include time abroad; among other things, they familiarize participants with our leadership attributes, successful employee management and process control. Participants are supported by mentors throughout this time.



Human rights & employee relations

As an employer, Deutsche Post DHL Group leads by example: its human rights policy anchors minimum standards for fair working conditions and human rights in employee relations throughout the Group. The Group is committed to the principles of the UN Global Compact and adheres, subject to local legislation, to the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, the Declaration on Fundamental Principles and Rights at Work (ILO), and the principle of social partnership. [Page 62](#)

Creating a common understanding

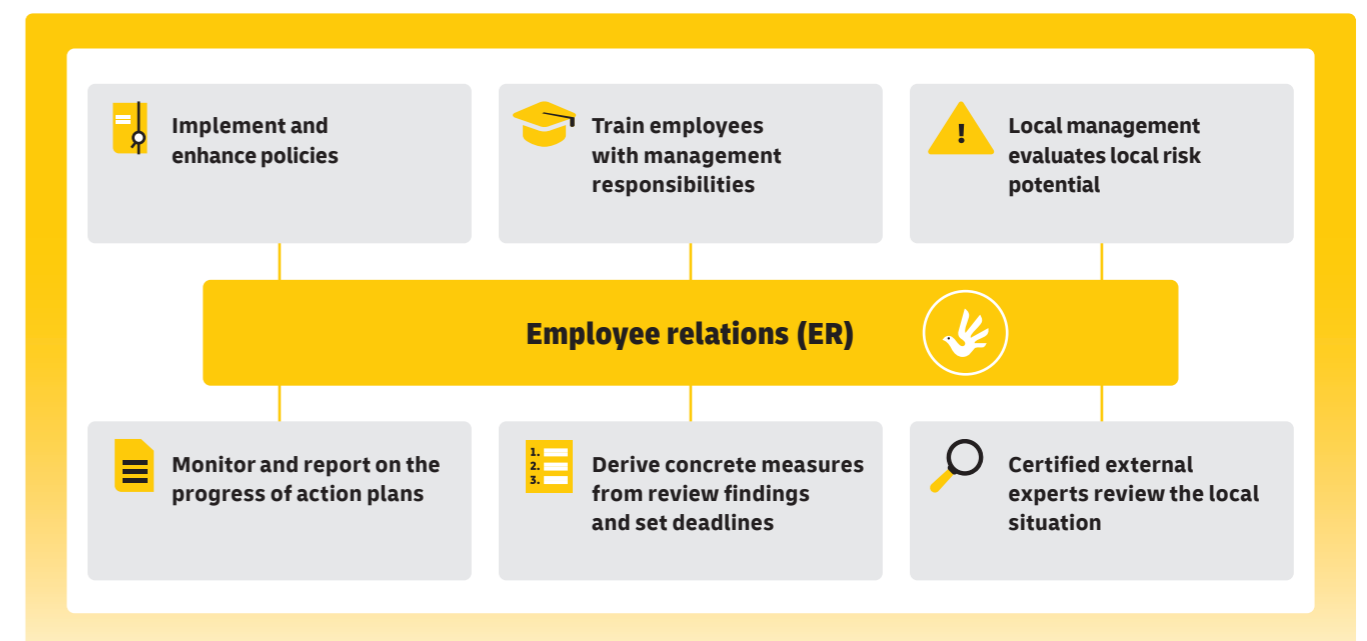
In line with Deutsche Post DHL Group's leadership principles, our managers adopt an open and respectful approach when dealing with their employees. They act as role models, conveying the standards required to establish a common understanding of respect for human rights within the company. This is why the Code of Conduct is an integral component of their employment contracts.

Creating good employee relations

Our measures aim to create employee relations that are based on a spirit of trust. The Employee Relations Forum (ER Forum) is responsible for steering employee relations issues and implementing measures promoting respect for human rights as defined in our human rights policy. This body consists of employee relations experts from the divisions and from Group headquarters. Best-practice solutions are regularly presented and discussed at the meetings, and measures are developed with the aim of continuously improving the quality of our employee relations and raising awareness of respect for human

COMMITTED TO THE PRINCIPLES OF THE UN GLOBAL COMPACT

Employee relations (ER) management system



rights among employees and managers. The ER Forum also assists local managers in everyday matters and facilitates dialogue among the divisions at local level. The issues raised in the Forum are also regularly presented to and discussed by the HR Board. In addition, the Sustainability Advisory Council (SAC) provides us with external expertise and recommendations.

Systematically implementing our human rights policy

Our management system aims to effectively implement the provisions of our human rights policy across the Group and to satisfy the requirements of the UN Guiding Principles on Business and Human Rights. Our efforts to raise awareness among our employees and managers center on our training initiatives and ER Reviews.

ER Review concept

Countries and sites are selected for ER Reviews on the basis of the risks involved. This process involves internal criteria such as the number of employees as well as external input, for example from the international union federations, the Maplecroft Institute's Human Rights Index or Transparency International's Corruption Perception Index (CPI); according to our Anti-Corruption Policy, the latter must be ≤ 45 in order for us to do business in a country.

To guarantee the objectivity and quality of the review process, ER Reviews are performed by specially trained and externally certified experts from the divisions and from Group headquarters. In countries with a comparatively low-level risk, the divisions themselves can decide whether an ER Review is needed and, if so, perform it on their own. In all other countries, reviews are carried out as the need arises. Corporate Internal Audit is involved in ER Review planning, and dates for ER Reviews and review catalogues are coordinated.

ER Reviews include discussions with focus groups made up of randomly selected employees at the same hierarchical level drawn from a range of operational areas, plus external personnel (if legally permissible). Local employee representative bodies are also involved in the dialogue wherever they exist. During the focus groups, the experts ensure that the anonymity of participants is upheld, that they are treated with respect and that they have the right to freely express their opinion. Management on the ground then draws on this

anonymized feedback to derive individual action plans. The progress made with these locally developed measures is monitored over an agreed and binding time frame. Implementation is also monitored by Corporate Internal Audit during its regular audits. [Page 44](#)

Dialogue with employee representatives

74% of all Group employees worldwide are employed under contracts governed by collective agreements, works agreements or statutory requirements. In addition to direct dialogue with their superiors and management representatives, employees can turn to employee committees, works councils, unions or other bodies to help represent their interests. The primary responsibility for dealing with local employee representatives and trade unions rests with the divisions at a country and local site level.

An open and trusting dialogue at global level

At the global level, we have engaged in regular dialogue on employee relations for over ten years with the two international union federations UNI Global Union (UNI) and the International Transport Workers' Federation (ITF). These discussions focus on issues of global importance and their impact on Deutsche Post DHL Group. Building on this tradition of close and open collaboration, we are continuing this regular dialogue with the two union federations, which is based on a protocol signed by the OECD's German National Contact Point (NCP) in 2016.

Dialogue with European unions

The Deutsche Post DHL Forum is a European works council by agreement comprising employee representatives and managers from all divisions across 30 European countries. The Forum's committees advise on the Group's business performance and on topics with an international reach, such as organizational changes and the introduction of new work and production processes. The plenary sessions of the Deutsche Post DHL Forum are held twice a year with the Board Member for Human Resources in attendance. The two international union federations – UNI Global Union and the European Transport Workers' Federation – can each send a representative to participate in these sessions.

In Germany we collaborate constructively with employee representatives in all business units where works councils have been formed. Our regular dialogue with our Group Works Council and with our parent company's General Works Council also involves the Board Member for Human Resources.

Sociopolitical dialogue with the European Commission

As Europe's largest postal service provider, Deutsche Post DHL Group is a member of the European Commission's European Social Dialogue Committee for the Postal Sector, and has chaired it since the end of 2016. The committee brings together employers and union representatives from the postal sector in European member states to discuss relevant issues – with due consideration given to social aspects.

Results & progress in 2019

Continuing implementation of the management system

We reviewed the effectiveness of the individual components of the management system. As a result, the two training modules "Employee Relations for HR" and "Building Great Employee Relations" were combined. More than 2,400 employees and managers across the Group have now completed this training, bringing the total number of participants since rollout to around 11,000. We will continue our training measures in 2020. We have intensified our communications activities on respect for human rights and good employee relations, providing information online on a regular basis.

Guidelines for managers developed

As a result of the ER Reviews, we created internal guidelines for managers on good employee relations. These contain guidance on applicable policies and standards that must be taken into account when dealing with employees and their representatives. Regional and local discussions take place at regional meetings chaired by a member of the ER Forum and provide an opportunity for mutual support. For example, in Japan the solutions developed to implement the labor law reform were shared among the divisions.

ER Reviews completed in five countries

The ER Reviews in Bulgaria, Colombia Hong Kong, Kenya and South Africa revealed substantial amounts of overtime. To reduce these figures, local managers analyzed the causes and developed potential solutions that were then translated into local action plans. Implementation of these solutions will be reviewed at a later date. In 2020, ER Reviews will be conducted at sites in the following countries: Costa Rica, Côte d'Ivoire, Slovakia and Turkey.

CONTINUING DIALOGUE WITH UNI AND ITF BASED ON THE OECD PROTOCOL

Dialogue with international unions

During the year under review, we worked with the two international union federations, UNI and ITF, to enhance the contents of the OECD protocol and to continue the constructive dialogue. The lead organization is the German National Contact Point for the OECD Guidelines for Multinational Enterprises, which signed the protocol in the presence of both parties on November 25, 2019. The general secretaries of the two union federations will continue to meet our Board Member for Human Resources at least once a year to share information and ideas. Various workshops also took place in the year under review, discussing not only possible means of enhancing the dialogue but also how future challenges in employee relations could be faced.



Discussion with unions at European level

In the year under review, the Deutsche Post DHL Forum – which is a European works council by agreement – met more than 26 times (including committee meetings). The main issues discussed were our Strategy 2025, our business performance, compliance issues, IT security and cyber security, and the impact of digitalization on employees. Takeaways relevant to Germany are reported on in the following section.

Support for the National Action Plan for Human Rights

As of 2019, the German government has been performing random checks on companies with more than 500 employees as part of the National Action Plan to monitor implementation of the UN Guiding Principles on Business and Human Rights. Five German subsidiaries participated in the initial survey. The process of completing the questionnaire enhanced awareness of respect for human rights in our subsidiaries and stimulated internal dialogue on the issue. We also worked with the National Action Plan project group and assisted in preparations for the second data collection phase. The findings of the first survey will be published in 2020.

Sociopolitical dialogue at EU level

The EU project “Trend research for the postal sector in 2030”, which began in 2017, was successfully concluded in June 2019. In it, management and labor representatives (social partners) in Europe collaborated with a futures studies institute to develop possible scenarios for the postal sector in 2030, focusing in particular on social aspects. The insights gained were presented at a wrap-up conference in Brussels and the final report was published. A declaration on the importance of lifelong learning and associated employee needs in the digital age was signed in collaboration with our social partner.

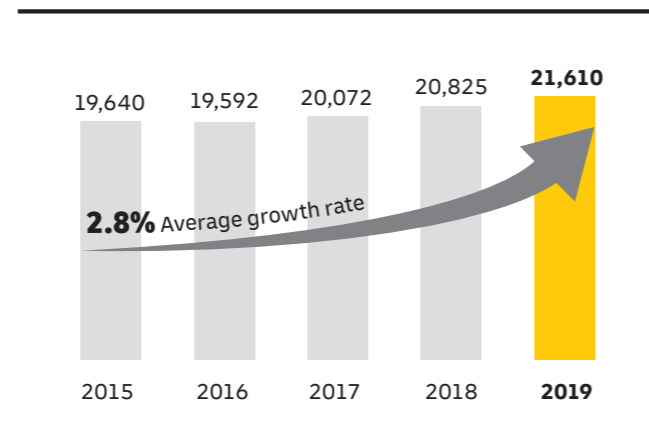
Motivation & satisfaction

A number of factors combine to boost employee motivation and make us more attractive as an “Employer of Choice”: performance-based, competitive remuneration including additional benefits designed to improve the work-life balance, a broad range of development opportunities, and the chance to make a real difference with innovative business ideas or suggestions for improving the working environment. Employee motivation is also cultivated by superiors who establish a culture of trust and embrace change and uncertainty in a positive manner. We measure employee engagement and leadership qualities in our annual Group-wide Employee Opinion Survey.

Attractive compensation

We offer appropriate, competitive remuneration packages in all of the markets we serve. Compensation is subject to local and position-specific requirements and regulations. Local market conditions are also taken into account when rates are set. Remuneration includes a base salary plus the agreed variable remuneration components such as bonus payments and, in some countries, retirement plan contributions and health insurance costs. In many countries, Deutsche Post DHL Group also offers employees defined benefit and defined contribution occupational retirement plans, and assumes the costs of health insurance and treatment for employees and their family members.

Staff costs (€ million)



For 74% of our employees, remuneration is based on works agreements, collective labor agreements, or statutory salary adjustments. Within Germany, it is generally regulated through either company- or industry-specific collective agreements. In many of our German subsidiaries, employees covered by collective agreements also receive a performance-based bonus in addition to their wage or salary.

We use neutral job grading to avoid discrimination based on characteristics such as gender, national or ethnic origin, religion, age, sexual orientation and identity, or disability. Our sole considerations are the nature of the tasks to be performed, the position in the company and the level of responsibility. Our systematic approach ensures an impartial and equitable remuneration structure within the Group.

Additional time off under the 2018 collective agreement

For the first time in October 2018, and again in October 2019, the 130,000 or so Deutsche Post AG employees covered by collective agreements could choose if they wished to take additional time off or benefit from a wage increase. At the end of the year, a total of 16.9% of such employees had chosen to take more time off, and are now enjoying up to 13 extra days’ free time per year.

Delivery GmbHs included in company collective agreement

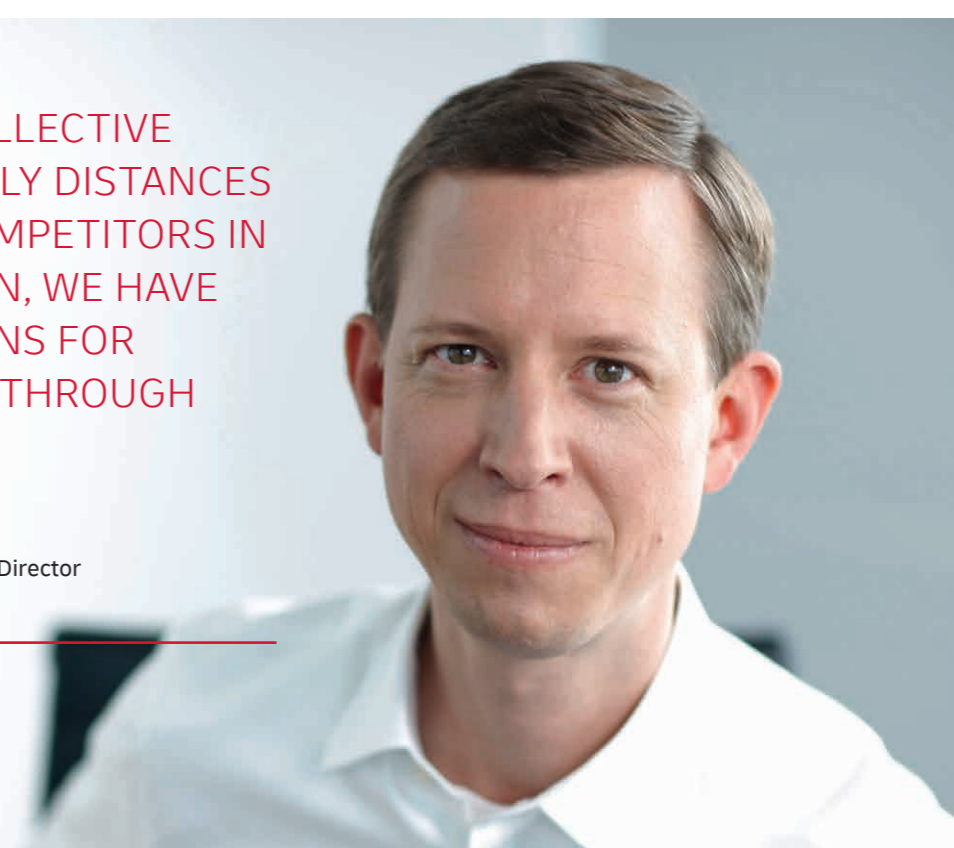
In March 2019, changes were made to Deutsche Post AG’s company collective agreement in Germany. This constitutes a further step toward ensuring competitive wage structures in the mail and parcel market, building a foundation for sustainable business success.

The changes primarily take account of regional factors when new hires are made. They allowed us to bring the 13,000 or so employees at our 46 Delivery GmbH companies in Germany under Deutsche Post AG’s company collective agreement as of July 1, 2019. Our employees are even more successful now that they are under one roof, and now we have a single, competitive collective agreement for our post and parcel business. Combining the administration of parcel delivery staff also makes it easier for us to organize day-to-day production. In addition, the benefits of the company collective agreement (such as our company pension plans) have now been extended to all employees.

“OUR NEW COMPANY COLLECTIVE AGREEMENT CONSCIOUSLY DISTANCES US FROM LOW-WAGE COMPETITORS IN THE SECTOR. IN ADDITION, WE HAVE RULED OUT TERMINATIONS FOR OPERATIONAL REASONS THROUGH THE END OF 2022.”

Dr. Thomas Ogilvie

Board Member for Human Resources & Labor Director
Corporate Incubations



It was also agreed not to outsource mail and combined mail and parcel delivery services before December 31, 2020. Equally, the moratorium on terminations for operational reasons was extended to December 31, 2022.

Achieving a healthy work-life balance

We offer a variety of benefits designed to support our employees as they plan the different phases of their lives, helping to make the Group's jobs and working models more attractive to women as well as men.

- **Flexible work models:** Subject to operational requirements, employees can agree flexible working hours and locations. Additionally, the Generations Pact allows Deutsche Post AG employees to take advantage of the option of partial retirement based on working-time accounts. Comparable benefits are also available to the civil servants employed within the Group.
- **Family care offering in Germany:** We work with a service provider to support employees in their search for suitable childcare. Options include vacation programs, emergency care, advisory and placement services, and company support for childcare places. We also offer support for staff who are caring for relatives.
- **Vacation offerings:** The Recreation Service (Erholungswerk Post Postbank Telekom e.V.), which receives financial support from Deutsche Post DHL Group, offers affordable vacations to current employees and retirees. Children of employees can also receive vacation allowances in certain circumstances on a means-tested basis. Such assistance was approved for approximately 2,300 children in the year under review.

Ideas breed success

We use the Start-up Lab and our idea management platform to motivate our employees to apply their creativity and know-how to develop new business models or improve their own working environment.

Turning employees into entrepreneurs

Ideas for innovative business models or potential applications of new technologies are presented to a jury and assessed over several rounds. In the final rounds, the jury primarily consists of members of the Board of Management. Successful participants are granted dedicated time away from their usual responsibilities, intensive coaching from a member of the Board of Management, and mentoring and external consultancy services to help them move their concepts forward.

1,500 employees have presented roughly 590 projects since 2018, of which 36 received intensive support and seven are already in operational use. In the year under review, around 250 employees presented a further 135 projects, of which 17 were taken up by the program for development this year.



Employee development

With companies competing for the best employees and managers, the professional and personal development of all employees is essential for our business success. Once again, this analysis has been confirmed by our employees themselves and by other stakeholder groups. In the 2019 Employee Opinion Survey, the Learning & Development KPI received an approval rating of 83%.

On average, employees spent 1.3 days of training per year on occupational and workplace-related training. A total of approximately 4.7 million hours were spent in various online and classroom training programs in the year under review. Our training and development opportunities are available to all permanent employees.

Boosting expertise

We achieve high levels of motivation with our Group-wide Certified initiative, which we use to boost our corporate culture and to certify employees as specialists in their divisions. The two-day foundation course develops a common understanding of our strategic goals across all divisions and countries. Employees who have successfully completed the training gain a better understanding of our business processes and learn how important their own contribution is to the company's business success, and how valued their engagement is. Building on the foundation training, we offer employees a broad range of subsequent modules geared towards their individual role or area of specialization.

Certified training sessions are run by company employees and managers who have completed special facilitator training. This approach has been shown not only to increase the learning effect and impact of the training, but also to foster a sense of loyalty and team spirit within the company. Around 346,000 employees have already participated in Certified training in recent years. This represents an average share of 69% of our workforce in the year under review before adjustments for employee turnover.

Project examples

- **TRAILAR:** Our subsidiary in the UK equips trucks and trailers with solar mats that generate power for vehicle electrical systems. This not only reduces carbon emissions but also fuel consumption. The people who came up with the idea were promoted to TRAILAR management and are now in charge of a team of 35 employees.
- **XPL:** This is a smart contract management system that uses blockchain technology to enable intelligent digitalization of freight contract management in the Global Forwarding, Freight division.



Ideas for enhancing work processes

We also encourage our employees to play an active role in improving their own working environment. They can submit their suggestions via the idea management platform. Any ideas that result in a proven benefit are rewarded using a bonus system.

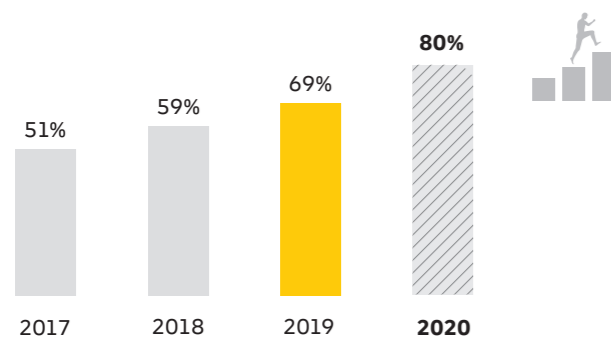
EMPLOYEE IDEAS SAVE €14.2 MILLION

In the year under review, approximately 64,000 new ideas were submitted. About 83% of the ideas with proven benefits were implemented in 2019, resulting in cost savings of €14.2 million. Here are two successful examples from our idea management platform:

- **Process digitalization:** The existing distribution and management software was improved so that it can now distinguish between returns from major customers and other items. This resulted in shorter processing times, a decrease in the error rate to 0%, and fewer contractual penalties.
- **Clearing blockages:** Magazines often cause malfunctions in automated sorting systems. However, technical optimization has made it possible to avoid sorting errors and ensure punctual delivery.

We plan to certify 80% of our workforce by 2020. Starting in 2020, we will also place greater emphasis throughout the Group on developing employees with management responsibility. These represent an important interface between senior management and employees, and it is their responsibility to identify and encourage potential and to provide effective support as employees work to achieve their own goals.

Progress of the Certified initiative



The drive to keep learning

Our broad range of individual training and development opportunities extends from basic courses through to specialized training aimed at specific target groups. Focus areas include issues such as compliance and lifelong learning, but also encompass personal development plans with appropriate training courses and activities.

- **Code of Conduct:** Case studies are used to familiarize employees and managers with the significance of the Code of Conduct and other Group policies. The training also covers the various ways in which suspected infringements of the policies can be reported. Roughly 52,300 employees took part in the training in the year under review.

- **Raising diversity awareness:** Our dedicated training and workshop modules offer employees the opportunity to enhance their awareness of the importance of diversity and inclusion. Managers play a key role in putting diversity management into practice. This year's Diversity Week, in which numerous employees worldwide once again took part, focused on unconscious bias. The topic led to more than 600 posts and over 100,000 comments on our internal social media channel alone.
- **Health at work:** We implement targeted training measures to promote health awareness among our employees and managers. Our Certified training allows managers to learn about the impact their leadership style can have on employees' health. All employees receive tips on how to keep healthy and are given regular training in occupational safety.

Management development

We expect our managers to have a motivational leadership style. Their core responsibility is to make clear to employees how their work helps the company achieve its objectives and how they can support the organization. About 1,500 managers have now taken part in training courses on our six leadership attributes: being results-oriented, leveraging one's strengths, providing purpose, having and creating trust, focusing on priorities and being positive about challenges, uncertainty and change. The resulting idea of comprehensive leadership is also reflected in the training courses for the Group's senior management, who take part in ongoing development measures using specific training formats.

Additionally, we offer leadership seminars and development programs that are specially tailored to the needs of individuals and the requirements of their divisions. Members of the Board of Management also take part in these modular development programs, which are based on methods such as reflection, feedback and coaching – sometimes in the capacity of trainers.



Employee Engagement

77% of all employees around the world took part in our annual Group-wide Employee Opinion Survey, our most important feedback channel. We explicitly encourage everyone to express their opinions openly, and participation is of course entirely voluntary. All responses, whether by mail or electronically, are completely anonymized. The same EOS questionnaire is used throughout the Group, ensuring comparability of results for all categories and questions across all divisions. In the year under review, we reviewed the processes and procedures for analyzing the responses with Internal Audit. The results will be used to prepare this year's survey.

➔ Page 44

EMPLOYEE ENGAGEMENT 77%: + 1%
ACTIVE LEADERSHIP 78%: + 2%

The questionnaire comprises 41 questions that are assigned to 10 key performance indicators (KPIs). The Performance Enablement Index is also derived from these questions. Among other things, we want to know what employees think about the current situation within the Group, how they evaluate the leadership of their superiors, the extent to which they identify with our values and our strategy, and where we might need to improve. We also use the survey to assess whether they think that the information, resources and training we provide are enough to ensure their success. We consult external ratings to shed light on our own observations and results.

Improvements in all categories

We achieved a one percentage point improvement in every category, and two percentage points in Active Leadership, bringing our score to 78%. We also scored 77% for Employee Engagement and are therefore approaching our target of 80% in both areas – our benchmark as the Employer of Choice. Active Leadership serves as a key non-financial performance metric in accordance with German Accounting Standard GAS 20 and is taken into account when calculating managers' bonus payments. Managers are role models when it comes to implementing our corporate values and goals, and have a major bearing on the motivation and engagement

displayed by our employees. The Employee Engagement KPI helps us gauge how motivated our employees are to contribute to the company's success. We also recorded improvements in the year under review in categories that had previously been stagnating: Future & Strategy, Performance Enablement Index, and Cooperation.

2019 Employee Opinion Survey



We are proud of these results. They confirm that we are on the right track as a company and that we are getting closer and closer to our goal of becoming the Employer of Choice. We are not complacent, however, and our success spurs us on to do even better. When developing our Strategy 2025, we reviewed our concepts and found that focusing on a single issue from the Employee Opinion Survey as a KPI no longer seems appropriate. Instead, starting in 2020, we will introduce overall Employee Engagement as a KPI and use it when calculating managers' bonuses. By 2025 we hope to achieve an 80% approval rating across the Group.



Occupational health & safety

The health and safety of our employees at work is extremely important to us. Occupational safety was also confirmed as a material issue by our stakeholders. Our Strategy 2025 makes it our mission to create a culture of safety at work within the Group. This involves raising awareness among managers about their function as role models, and among employees with regard to potential hazards.

Compliance with the Group's occupational health and safety policies, and with statutory regulations and industry standards is particularly important to us, so much so that it is embedded in our Code of Conduct. Our Supplier Code of Conduct, a binding component of Group contracts, requires our business partners to adhere to these same high standards. Our codes embed certain practices in our own operations and those of our business partners – these include workplace risk assessments, instructing employees on potential risks and hazards, implementing preventive measures to protect employees, external workers and others from injury, and regular safety training.

Safety first

Accident prevention in the workplace is our main priority. Some of our most difficult challenges can be found in our pick-up and delivery operations, known as the first and last mile. Bad weather, roadworks, complex traffic situations or dealing with animals require employees to pay attention, concentrate and take responsibility for themselves. The most common causes of accidents are trips, slips, ankle twists and falls, or handling heavy loads.

Managing occupational safety and measuring progress

Our Group-wide Occupational Health & Safety Policy Statement uses seven key components to define our requirements in this area. They are specified in the "Safety First Framework" guidelines, which describe our occupational safety measures on the basis of ISO 45001.

The divisions are responsible for operational management: Each Group division has its own organizational and management structure dedicated to occupational safety. The Occupational Health & Safety Committee facilitates dialogue



and collaboration between occupational safety experts in the different divisions. It defines cross-divisional regulations and standards, investigates accident black spots, develops best-practice solutions for accident prevention and lays the groundwork for decisions to be made by the higher-level Operations Board. The Board of Management has tasked this body with overseeing the implementation of the requirements in the divisions and their progress in managing the occupational safety KPIs. We measure the success of these measures based on the accident rate per 200,000 working hours (LTIFR). Our accident data also includes accidents among external temporary staff working at our sites.

Management system defined

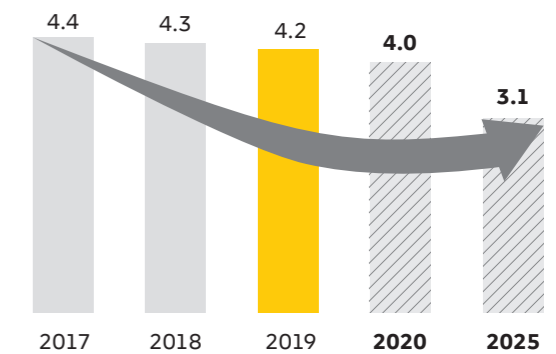
We defined the elements of a management system based on ISO 45001 in our guidelines for implementing occupational safety measures. The divisions themselves decide on the extent of implementation, from the use of individual elements to external certification. The guidelines are supplemented by additional tools:

- **Self-assessment:** With the help of a questionnaire, site managers can review progress on the occupational safety measures required by the guidelines, and identify any necessary actions. In the year under review, this tool was externally verified to ensure conformity with ISO 45001.
- **Employee surveys:** One questionnaire helps determine the degree to which employees have internalized the culture of safety. Employees also have the option of registering their personal opinion about the maturity of occupational safety in the company.

Results & progress in 2019

The Group's LTIFR in the year under review fell to 4.2 (2018: 4.3). However, we did not meet our target. This was largely due to the high accident rate in Post & Parcel Germany. The division dominates the figures for the Group as a whole because of its large workforce and also registers a relatively large number of accidents. These are primarily in pick-up and delivery, where employees operate in public spaces and risks are much more difficult to assess than in a controlled working environment. [Page 104](#)

Accident rate (LTIFR) trend



Each work-related accident led to an average of 16.5 missed workdays (2018: 15.8 missed workdays). In the year under review, we included GEMBA Walks, a tool from the First Choice initiative, as one of our occupational safety measures, making it available as an app. GEMBA Walks are used to raise awareness among employees about potential accidents where they work. Problem areas are subsequently identified and addressed in meetings. Communication activities about occupational safety were stepped up in the run-up to the busy Christmas period.

The employee surveys were carried out with site managers and executives from various divisions. We will continue them in 2020.

Fatal workplace accidents

In the year under review, three employees (2018: eight fatalities) lost their lives because of accidents in the workplace. One fatality resulted from a traffic accident. We meticulously analyze and document the cause of each accident to prevent any repetition of such incidents. Our findings are then used to design and implement corrective measures.

Accident rate in the divisions

- **Supply Chain:** The accident rate of 0.6 was once again the lowest in the Group (2018: 0.7). In contract logistics, the level of awareness of workplace accident risks is very high.
- **Post & Parcel Germany:** By contrast, the measures intended to reduce the accident rate in this division, which were ramped up three years ago, have not yet had any sustained impact: The figure increased by 0.4 year-on-year to 12.5 (2018, adjusted: 12.1). We will step up both the accident analysis process and preventive measures, and will expand training in this area. We provide our employees with special footwear to prevent accidents due to trips, slips or ankle twists.
- **Express:** The LTIFR saw an improvement to 2.4 (2018: 3.1). This result was achieved mainly by introducing accident prevention campaigns at sites with elevated accident rates. One such example saw employees in the USA share know-how and best-practice solutions with their German colleagues. This helped one site in Germany to reduce its accident rate by more than 40% within 18 months. Another example, also in the USA, saw the trial of “Kinetic wearable technology”, which is designed to measure physical strain. The idea is to encourage ergonomically correct postures when employees lift loads.
- **Global Forwarding, Freight:** At 0.9, the LTIFR was down 0.1 on the prior-year level (2018: 1.0). Global Forwarding's sites in Europe are now ISO 45001 certified.
- **eCommerce Solutions:** This division was established in January 2019 so the LTIFR is being reported separately for the first time – it was 1.6.

Although we have not managed to achieve our targets in recent years, we are working as hard as ever to minimize the accident rate in the Group. Our aim for 2020 remains to reduce the LTIFR to 4.0. In addition, we are continuing to pursue our 2025 target of improving the LTIFR to 3.1.

Safe transport of dangerous goods

We specialize in transporting dangerous goods and materials subject to our terms and conditions, and we instruct employees in this area to ensure we provide safe, professional transportation and storage. Priority will always be given to the safety of our employees and minimizing risk. Dangerous goods are transported in accordance with applicable international and national safety standards, including the European Agreement concerning the International Carriage of Dangerous Goods by Road and the International Air Transport Association Dangerous Goods Regulations.

OFFICIAL PARTNER OF THE EU-OSHA HEALTHY WORKPLACES CAMPAIGN

Only specially trained employees are permitted to handle dangerous goods. In all divisions, dangerous goods safety advisors ensure compliance with applicable regulations. Dangerous goods guidelines are made available in the languages of the countries concerned. Despite the Group's high standards and extensive experience in the area of dangerous goods transports, handling and warehousing, we still rely on our customers to declare and label their dangerous goods shipments completely and correctly, as required in our general terms and conditions. In the year under review, we participated as an official partner in the EU-OSHA's Healthy Workplaces Campaign 2018-2019 on how to manage dangerous goods.

A comprehensive approach to health and well-being

Continuous change – in the workplace, in demographics, in global health trends – is demanding more and more of our employees. To help them maintain their motivation and performance levels, we encourage employees and their families to pursue healthy lifestyles, avoid risk factors, and take advantage of offerings such as preventive screening. Our approach is based on the World Health Organization's comprehensive healthy workplace model. We also take into consideration the impact of aging populations and the strain this puts on healthcare systems.

Health insurance outside Germany

Many of our employees live and work in countries where statutory health insurance does not exist or is inadequate. Since 2015, we have been offering employees and their dependents high-quality, affordable healthcare coverage through our Group-wide employee benefits program. The program currently reaches some 250,000 employees in over 100 countries. We also have incentives in place for local management to reinvest insurance savings in health promotion programs for our employees and their families.

Organization and risk analysis

Health risks considered relevant for the Group are analyzed on a quarterly basis and reported to the Board of Management. Based on an additional, systematic evaluation of risk indicators, Insurance & Risk Management develops initiatives and other offerings tailored to local needs. Implementation is then left to the Group's divisions, which are also responsible for local-level health management.

The HR Board receives regular updates on, and discusses, the company sickness rate and progress made with regard to health initiatives and health coverage offerings for employees. Particularly important issues that are relevant to the Group as a whole are decided on by the Board of Management. When it comes to issues related to medical crisis management, the Board of Management is advised by the Chief Medical Officer, who is also responsible for assessing health risks that are relevant to the Group and for defining strategies to address these risks. We make sure when developing and designing health management measures to involve employee representatives and support them with appropriate training. We measure the success of our initiatives across the Group with the help of various KPIs. Our external reporting focuses on sickness rate trends.

Four pillars of health management



Improving health and well-being across the Group

We work together with selected partners to evaluate regional and typical business health risks and develop health promotion and well-being initiatives that specifically target the identified problems and cost drivers. Our health promotion measures empower our employees and their dependents to take responsibility for their own health and well-being, and help to embed a culture of health at all levels of our organization, while reducing related costs. Our Four Pillars of Health model provides the framework for our Health and Well-being Program, with each pillar addressing a different phase in health promotion: prevention, health awareness, mitigating disease, and driving behavioral change.

Since launching the program, we have seen steady growth in the number of initiatives implemented across the Group, covering topics such as children’s health, diet and exercise, diabetes management, achieving a work-life balance, managing musculoskeletal conditions and lifestyle issues. A central IT platform is available to employees as a way to promote dialogue and provide relevant information on these topics.

Results & progress in 2019

Employees have experienced a significant increase in health and well-being campaigns since 2018, demonstrating an expanding and holistic approach to the dissemination of a wellness culture within our Group. Best-practice examples include activities and campaigns related to nutrition and leading a healthy lifestyle (Mexico), a Sunday morning run with over 700 employees (Thailand), and campaigns and regular online information about various topics plus as a women’s running day (Middle East/North Africa).

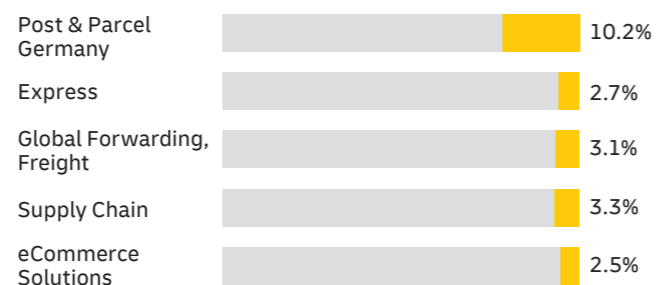
As workplace digitalization continues, employee mental health remains an important issue. Our Certified training for managers stresses the relationship between good leadership and good mental health among employees. 2,320 managers took part in these training courses in the year under review. In Germany, China and the USA – the countries with the largest numbers of Group employees – we offer mentally ill employees support in the form of access to occupational health experts and employee assistance programs. We work together with recognized research institutes to identify and assess sources of psychological stress. In Germany, we cooperated with a health insurance provider to prepare the

launch of a health app that gives users pointers to specific, personalized health solutions. This will enable additional data analyses that supplement ICD10-based data reporting, and will help us tailor our initiatives and offerings more closely to the needs of employees.

Sickness rate at prior year level ✓

The change in the sickness rate can largely be attributed to the rise in chronic diseases affecting, for example, the musculoskeletal system. In the year under review, the Group-wide sickness rate remained at the prior-year level of 5.3%. Workplace accidents accounted for 0.3 percentage points of this figure. [➔ Page 104](#)

Sickness rate by division in 2019



Various factors affect regional sickness rates, including the relatively high average age of employees in some areas and changes in working structures – most notably in delivery operations in Germany.

SOCIETY

76 Social matters

80 Disaster management

77 Our responsibility

82 Improving employability

78 Volunteering



SOCIETY

Social matters ✓

Our sites, employees and suppliers around the world assist in the socioeconomic development of their regions and make an indirect contribution to the prosperity of both individuals and society as a whole. Our corporate citizenship initiatives make a direct impact on the communities in which we operate. In keeping with our mission to connect people and improve lives, we leverage the power of our global network and the logistics know-how of our employees to make a difference on the local level.

Policies (also GRI management approach)

We provide various incentives to support employees in their volunteering activities. We also manage Group-wide programs focused on specific areas:

- Disaster management (GoHelp)**
 Developing procedures and emergency response plans at airports to avoid relief-supply bottlenecks. We also offer emergency logistics support in the event of natural disasters.
- Improving employability (GoTeach)**
 Providing support to young people living in disadvantaged socioeconomic circumstances as a result of poverty, loss of family or being forced to flee their country. GoTeach aims to prepare them for the demands of the working world and to improve their chances of gaining employment.

All of these areas of activity involve collaboration with established partner organizations. GoHelp relies on our longstanding partnership with the United Nations (UN), while our partnerships with Teach For All and SOS Children's Villages form the basis of our GoTeach activities. It is thanks to the expertise of these partners that we can ensure the social relevance and effectiveness of our programs and activities.

Our Group-wide activities in this area are coordinated and managed by the CEO board department. The focus areas and objectives of these activities are outlined in the Group's Code of Conduct and set out in greater detail in our Corporate Citizenship Guideline. This ensures that employees at all

Group sites clearly understand how they can get involved, what is required, and how their involvement contributes to the Group's larger goals. A central internal platform facilitates employee dialogue across the Group and catalogues individual activities, which we then use for internal and external reporting.

Measures & KPIs

Based on the dialogue with our employees, we know that corporate citizenship is a relevant factor in determining their overall level of motivation. Our employees want their work to have a positive impact on society and the environment, and hence to help enhance the company's reputation. They identify with our corporate citizenship programs and are proud to be a part of the larger family that is Deutsche Post DHL Group.

With this in mind, we use our Corporate Citizenship Index KPI to measure the impact of our activities. The KPI has two components: first, the approval ratings in the Corporate Citizenship category in the annual Group-wide Employee Opinion Survey; and second, the results of a dedicated online survey which reaches about half of all employees.

Results & objectives

Our Disaster Response Teams were called on by the UN to support disaster relief efforts following a cyclone in Mozambique and the hurricane in the Bahamas. We also ran emergency preparedness workshops in Honduras, Iraq, Nepal, Peru and Madagascar, which included developing emergency response plans for airports on the ground. 2019 also saw the continuation of various GoTeach program activities.

The Corporate Citizenship Index score for the year under review was 79%; this represents an increase of two percentage points over the prior-year figure. Our goal for 2020 is to at least maintain this score at its current level.

Information on additional activities beyond the mandatory disclosures required by the German Commercial Code (HGB) can be found in the rest of this chapter. ↻

Our responsibility

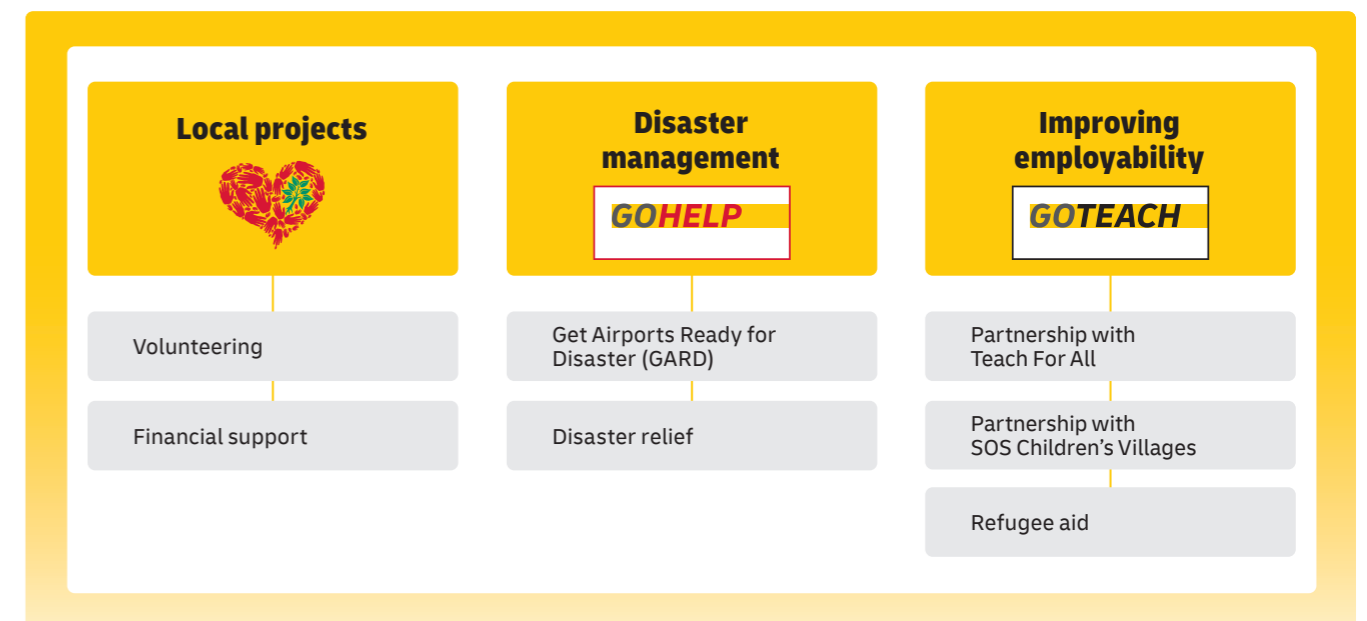
We want to contribute real solutions to the global challenges of our time, which is why our programs and partnerships are designed to achieve maximum effectiveness and impact for society. In the year under review, we celebrated the 10-year anniversary of both our GoTeach program, which aims to improve the employability of disadvantaged young people, and our GARD program, which helps airports in disaster-prone regions prepare for the demands of an emergency response.

Our programs and partnerships support the United Nation's Sustainable Development Goals (SDGs).



OUR EMPLOYEES ACT AS AMBASSADORS FOR VOLUNTEERING

The pillars of our corporate citizenship activities



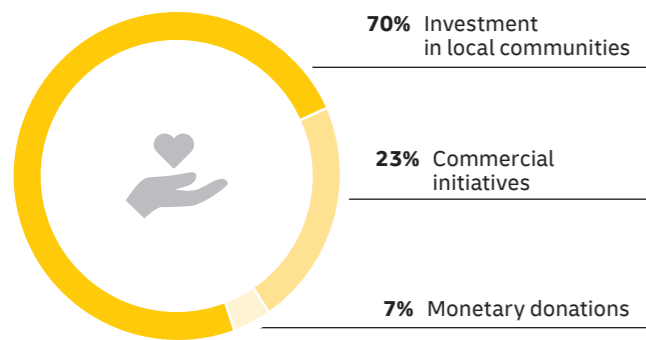
Measuring our impact

In addition to our Corporate Citizenship Index KPI, we use the LBG model to measure our corporate citizenship activities:

- **Input:** Total financial donations, monetary value of time/effort expended by employees, donations in kind, and the management costs associated with coordinating and implementing the various activities
- **Output:** Number of people reached or supported; number of activities/offering
- **Impact:** Resulting short and long-term changes in supported individuals/groups as well as changes within the company as a result of activities

This information is based on prior-year results, since the data required by the LBG model will be available only after the external review of the current report has been completed.

Activities as measured by the LBG in 2018



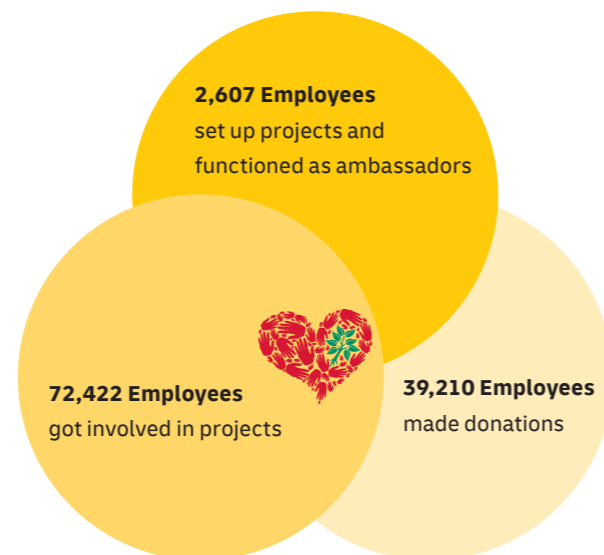
Volunteering

Our employee surveys have shown a measurable correlation between participating in corporate citizenship activities and motivation on the job. Nearly 80% of our employees feel that the company encourages them to act in a way that is socially and environmentally responsible. We have also found that employee motivation and company loyalty are even higher when an employee's individual interests and skills are aligned with their area of involvement. We use various instruments to support volunteering among our employees, showing them how they can get involved in different initiatives or join forces with like-minded colleagues to get a project off the ground themselves. In doing so, we hope to inspire our employees to act as role models and ambassadors for volunteering.

Today, more than 100,000 employees Group-wide devote time outside work to volunteering in climate protection projects, disaster relief efforts, refugee aid, or helping young people improve their job and career prospects. This volunteer

Volunteering in 2019

Employee volunteers: 114,239



work is not limited to a given day or individual project. Our partner organizations manage countless social and environmental projects, and employees can engage in these throughout the year as local opportunities and their schedules allow.

OVER 114,000 EMPLOYEES TOOK PART IN VOLUNTEER PROJECTS

Supporting practical action

Our Global Volunteer Day has been a major component and driver of employee volunteer work since 2008, calling on employees to get involved year-round in projects that serve local needs. An online platform allows staff to share their volunteering experiences, recruit others to join them, and report the results of their activities. We are seeing steady growth in both the number of volunteer hours and the diversity of volunteer projects.

Financial support for outstanding projects

Through our Living Responsibility Fund, we have also been providing financial support to approximately 100 outstanding projects every year since 2011. Our goal is to support employees who demonstrate lasting commitment to social or environmental causes and serve as role models for their fellow colleagues. A cross-divisional jury selects the most eligible projects, which can then receive support of up to €4,000. In order to qualify for financial support, at least two Group employees must volunteer a total of more than 50 hours of their time to a charitable partner organization over the course of one year.

Results & progress in 2019

In the year under review, we developed target-group-specific workshops to help employees better understand our approach and develop and realize their own volunteer projects and activities. Associated communications and additional tools help support employees and make it as easy as possible to get involved. Over 114,000 employees volunteered around 230,000 hours in around 3,100 projects. The Living Responsibility Fund supported 120 employee projects from 44 countries in 2019.



Disaster management

Our Group-wide GoHelp program has two main focus areas:

- **Get Airports Ready For Disaster (GARD):** We develop procedures and emergency response plans at airports in disaster-prone regions to rehearse for, and avoid relief-supply bottlenecks in the event of natural disasters.
- **Help on the ground from Disaster Response Teams (DRTs):** Our DRTs provide timely support in the wake of natural disasters, handling a range of logistics tasks at airports and coordinating the transfer of relief supplies to local relief organizations.

Our employees receive specially targeted training in preparation for their deployments and the situation on the ground. Every two years, we survey employees on the effectiveness of our GoHelp activities. The 2019 survey revealed an approval rating of 95%.

Optimizing airport procedures (GARD)

In cooperation with the United Nations Development Programme (UNDP), we conduct multi-day workshops on-site for airport personnel and local disaster management organizations to evaluate existing logistics procedures and improve airports' capacity for processing and dispatching large volumes of incoming relief workers and supplies.

During these workshops, our air freight experts act as trainers, helping participants analyze their emergency response plans and develop ways to increase airport capacity, including avoiding bottlenecks in the event of relief efforts. Workshop results are then submitted to the United Nations for inclusion in its national and regional emergency response plans. Progress can be reviewed roughly six to twelve months later in follow-up workshops.

Due to a growing number of requests to include regional airports in our preparedness program, we have begun training local airport experts as GARD trainers, who can then

conduct workshops on their own. The goal of this train-the-trainer approach is to achieve nationwide airport preparedness in countries at higher risk of natural disaster. Since launching GARD ten years ago, we have held 51 workshops in 26 countries with over 1,200 participants.

Help within 72 hours (DRTs)

In cooperation with the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA), we have established Disaster Response Teams (DRTs) based in the Americas, Middle East/Africa, and Asia Pacific regions. This network allows us to provide disaster-response coverage to approximately 80% of higher-risk countries.

If called upon by the United Nations, our DRTs can be deployed within 72 hours to manage the logistics of incoming relief supplies (unloading, inventory and storage) at airports, ensuring their efficient transfer to local relief organizations. Urgently needed supplies such as food, cooking utensils and medical supplies are sorted and packed at the airport into waterproof polypropylene bags known as Speedballs, which can then be airdropped over remote areas.

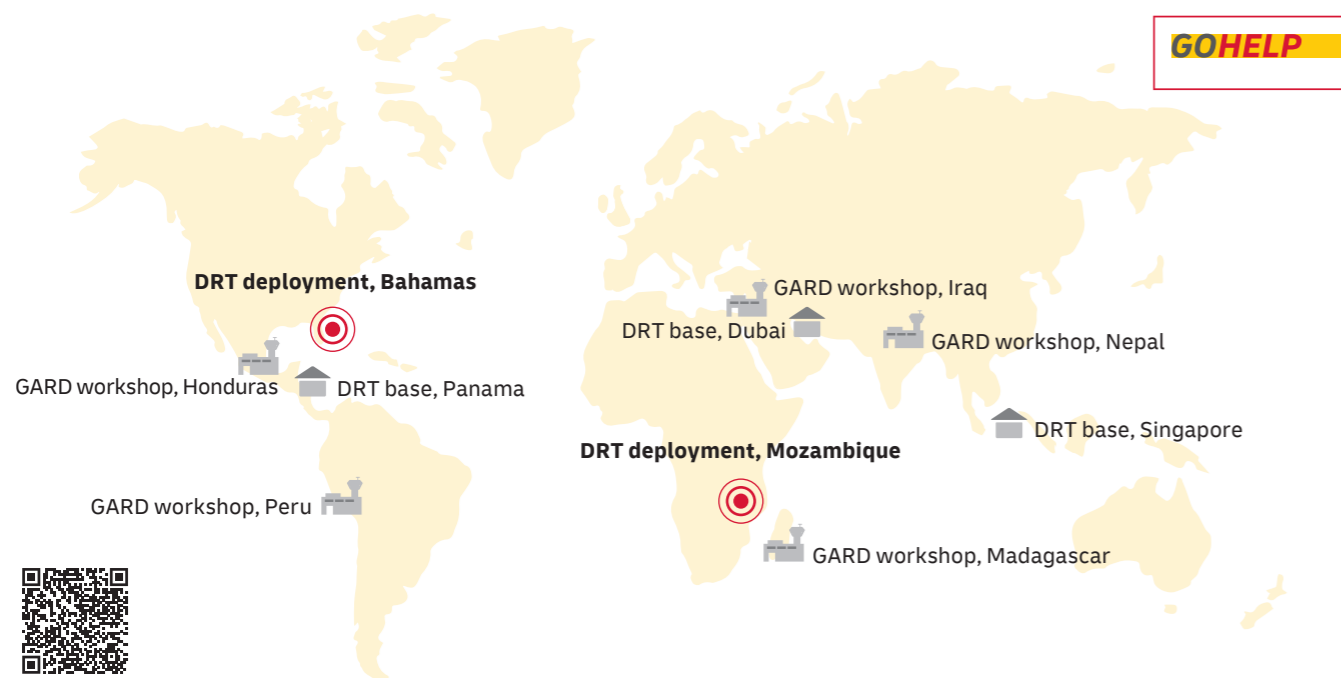
We prepare our logistics experts for both the physical and psychological challenges of DRT deployments with special courses that realistically simulate disaster-response workflows under difficult conditions. 1,500 employees have undergone such training since the launch of the program.

Results & progress in 2019

In the year under review, GARD workshops were held in Honduras, Iraq, Madagascar, Nepal and Peru, including the analysis of emergency response plans for 5 airports. A total of 151 people took part. Our DRTs were deployed on two occasions:

- **April 2019 – Cyclone Idai, Mozambique:** This was the first time one of our DRTs saw action in an African country. Twelve employees spent almost three weeks volunteering on the ground, working in three rotating teams to process some 800 tonnes of relief supplies at Beira Airport.
- **September 2019 – Hurricane Dorian, the Bahamas:** As part of the relief effort following the category 5 hurricane, employees from Florida, Colombia, Panama and Puerto Rico volunteered their time and processed around 275 tonnes of relief supplies for dispatch to help those affected.

Disaster management in 2019¹



1) Bilateral framework agreements reached to provide disaster management support in: Chile, El Salvador, Guatemala, Peru. Asia Pacific: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Thailand, Vietnam. Other regions: Turkey.



Donations from colleagues for colleagues

Our internal relief fund “We Help Each Other” (WHEO) provides employees with a channel to donate money and show their support for colleagues and their families who have been affected by natural disasters. 34 employees benefitted from the fund in 2019: 24 in Mozambique, 7 in the USA and 3 in the Bahamas. “We Help Each Other” has come to the aid of 1,900 employees since it was founded.

Improving employability

Our Group-wide GoTeach program supports young people living in disadvantaged socioeconomic circumstances as a result of poverty, loss of family or being forced to flee their country. Helping them discover their strengths and build self-confidence gets young people off to a better start and encourages them to set and achieve career goals. We also provide young people with first-hand exposure to the working world. Our employees volunteer their time to the projects, sharing their experience and expertise to familiarize participants with the demands the workplace can bring. As part of activities focused on career guidance and basic professional skills, volunteers function as mentors, trainers or internship supervisors and help participants develop the professional skills they will need later on.

“EQUAL OPPORTUNITIES AND COMPETITIVENESS ARE OUR GOALS.”

Dr. Frank Appel
CEO



Our activities in this area rely on global partnerships with Teach For All and SOS Children’s Villages. Not only do our partners benefit from the commitment of our employees but also from our financial support. We now operate in 56 countries around the world in cooperation with 67 partner organizations. In 11 of these countries we work together with both SOS Children’s Villages and national Teach For All partners.

Partnership with Teach For All

We have been collaborating with the Teach For All global network since 2010 and support its partner organizations in 19 countries. In the year under review, we expanded our partnership to seven additional countries.

Partnership with SOS Children’s Villages

Our global cooperation with SOS Children’s Villages now covers 48 countries. A further six countries were added in the year under review. SOS Children’s Villages uses our support measures as a blueprint to develop similar programs for young people around the world. Our YouthCan! program was founded as part of a joint initiative with SOS Children’s Villages. It has already helped us recruit additional companies to become involved in business partnerships – and we hope to recruit even more.

Autonomy through integration

We work together with Germany’s Federal Employment Agency and numerous other partners to promote refugee integration, primarily in Germany. In recent years we have also initiated pilot projects with partners outside Germany and are now investigating how we can incorporate offerings for young refugees into existing programs. In 2018, we also started supporting the UNHCR initiative #WithRefugees.

Since launching our refugee aid initiative in Germany in 2015, we have signed employment contracts with 11,000 refugees, with 246 currently in apprenticeships. The volunteering activities undertaken by our employees focus on long-term projects, such as our mentoring programs.

Results & progress in 2019

In the year under review, over 2,100 employees took part in the GoTeach program, reaching out to and supporting roughly 11,000 children and young people in the process. In our yearly GoTeach employee survey, 89% of survey participants confirmed the program’s positive impact on society.

Around 4,200 refugees from Eritrea, Iran, Iraq, Somalia and Syria have received an employment contract, and around 90 an apprenticeship contract.

ENVIRONMENT

84	Environmental matters	93	Reducing air pollution
85	Climate & environmental protection	95	Green products
88	Carbon efficiency & fuel consumption	95	Training & reforestation
		96	Other environmental aspects



ENVIRONMENT

Environmental matters ✓

The ongoing boom in e-commerce and the corresponding growth in demand for transportation solutions is an important driver of global trade today. While this trend is good for our business, we also recognize that our activities impact the environment and the climate around the world, particularly in the form of greenhouse gas emissions. To minimize this impact, we have defined targets and implemented measures to help protect the environment and climate. These targets and measures are also embedded in our Code of Conduct, our Supplier Code of Conduct, and our Environmental and Energy Policy. This provides employees across the Group with clear guidelines on how they can contribute to achieving our climate and environmental targets.

Policies (also GRI management approach)

The core elements of our approach are as follows: Reducing dependence on fossil fuels and promoting the use of alternative fuels/energies in our fleets and buildings. Designing and implementing policies to reduce emissions, improve fuel efficiency and increase our use of alternative fuels as part of our Group-wide GoGreen program. In line with the GHG Protocol, these measures target both our direct and indirect carbon emissions. Deploying innovative pick-up and delivery solutions to reduce the impact of our business on air quality, especially in urban areas. This also reduces energy costs, anticipates possible legislative changes, and helps ensure the stability of our business in the future.

Our carbon emissions and central KPI Carbon Efficiency Index (CEX) are tracked by our internal management information system. Our GoGreen Sponsors Board – headed by the CEO – convenes regularly so that Group divisions can provide updates on their progress in implementing climate/environmental protection measures and on meeting their targets. Quarterly business review meetings are used to discuss not only operational trends, but also changes in our environmental KPIs. Any deviations from planned targets are discussed and appropriate solutions are identified and resolved. Topics that are particularly important to our environmental targets are also regularly discussed in Board of Management meetings.

Measures & KPIs

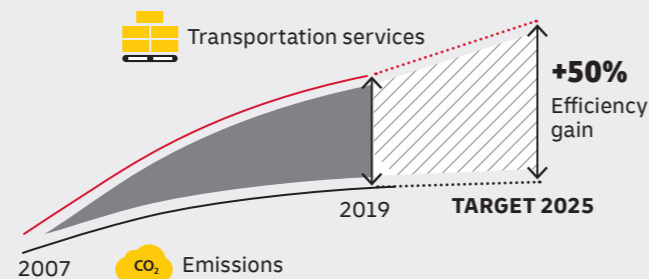
The Carbon Efficiency Index (CEX) – which has been defined as a management indicator under GAS 20 – is calculated on the basis of specific emission intensity figures for each business unit. Greenhouse gas emissions are calculated using internationally recognized standards such as the Greenhouse Gas Protocol (GHG Protocol). When calculating the CEX, we also include emissions generated by our transportation subcontractors (GHG Protocol Scope 3).

Results & objectives

Expanding our use of electromobility remains our core focus area, and also extends to our road fleet outside Germany. We also continued modernizing our air fleet in the Express division and further explored the use of sustainable synthetic fuels in our fleets.

In the year under review, we improved efficiency by a further two percentage points to 35% over the 2007 baseline. This was largely due to efficiency gains both in ocean and road freight within our Global Forwarding, Freight division, and in road transportation in the Supply Chain division. The use of green electricity at sites in our Express and Supply Chain divisions also contributed to this improvement. Our target for 2025 is to improve the energy efficiency of our transports by 50% compared to our 2007 baseline.

Efficiency principle and target



Information on additional activities beyond the mandatory disclosures required by the German Commercial Code (HGB) can be found in the rest of this chapter. ➔

Climate & environmental protection ✓

The transportation sector is responsible for roughly 7.5 gigatonnes of carbon emissions – about 14% of greenhouse gas emissions worldwide. 0.4% of this figure can be attributed to our business operations, which is why we have been designing and implementing climate and environmental protection measures for more than 15 years and have helped lead the way towards a green, sustainable future for logistics. Together with our stakeholders, we identified two main action areas for the Group in the climate and environment area: energy efficiency and climate change, and air pollution. The Group target that has been derived from this is an ambitious one: to reduce all logistics-related emissions to net zero by the year 2050. This is our contribution to helping the world community reach the two-degree goal established at the COP 21 climate conference.

We have set interim targets for 2025 for both of these action areas on our way to achieving zero-emission logistics by 2050. Additional focus areas include certifying our employees as GoGreen environment and climate experts, and reforestation.

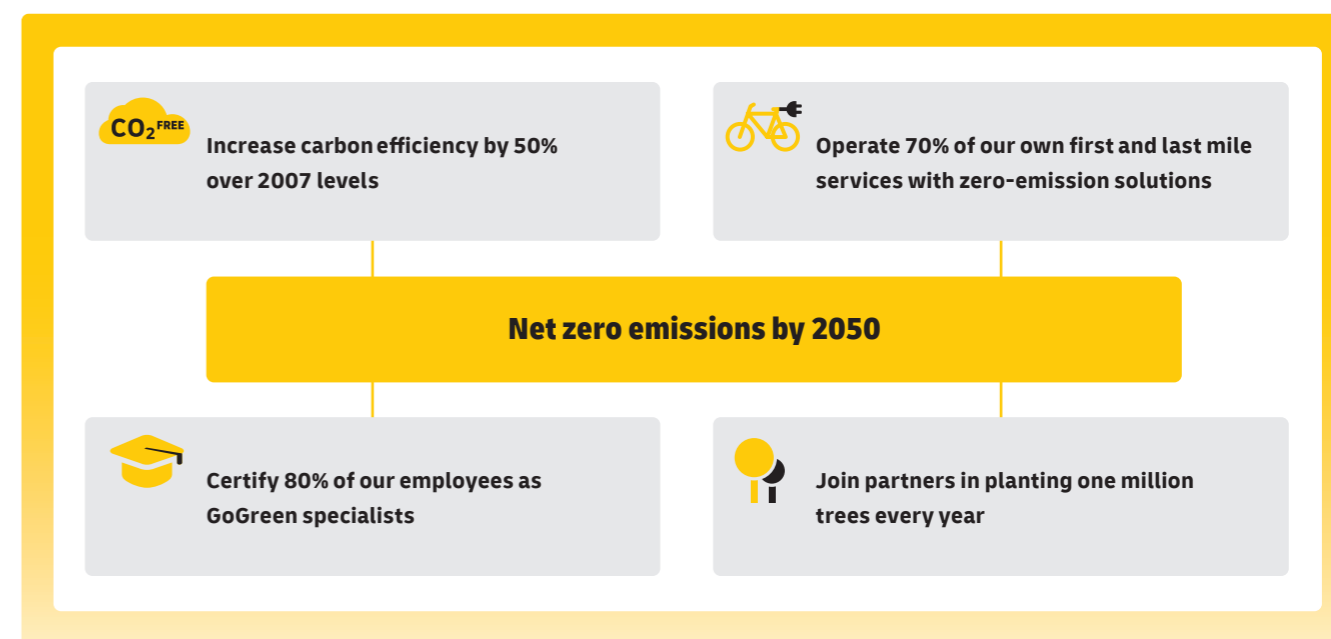
We also help customers and transportation partners reduce their own environmental impact with eco-friendly products – our GoGreen services. ➔ Page 95

As a pioneer in sustainable logistics, we are involved in a number of industry initiatives working to establish measurement standards for greenhouse gas emissions and promote the development of sustainable alternative fuels such as biofuels and e-fuels. ➔ Page 91

Our programs and partnerships support the United Nation's Sustainable Development Goals (SDGs).



Mission 2050 and interim targets for 2025



Realizing environmental targets across the Group

Our Code of Conduct establishes climate and environmental protection as a core action area, while more detailed measures are specified in our Environmental and Energy Policy. Above and beyond this, it goes without saying that the Group always acts in accordance with applicable environmental laws and regulations. Additional corporate policies supplement our Environmental and Energy Policy, including our:

- **Investment Policy:** This requires new acquisitions to be demonstrably more carbon efficient than existing assets. Every new investment proposal must include calculations demonstrating this.
- **Green Electricity Policy:** The primary source of electricity throughout the Group is green power, i.e., electricity from renewable sources.

Exceptions can be made if this is not available in the markets in sufficient quality or quantities, or if its application is not

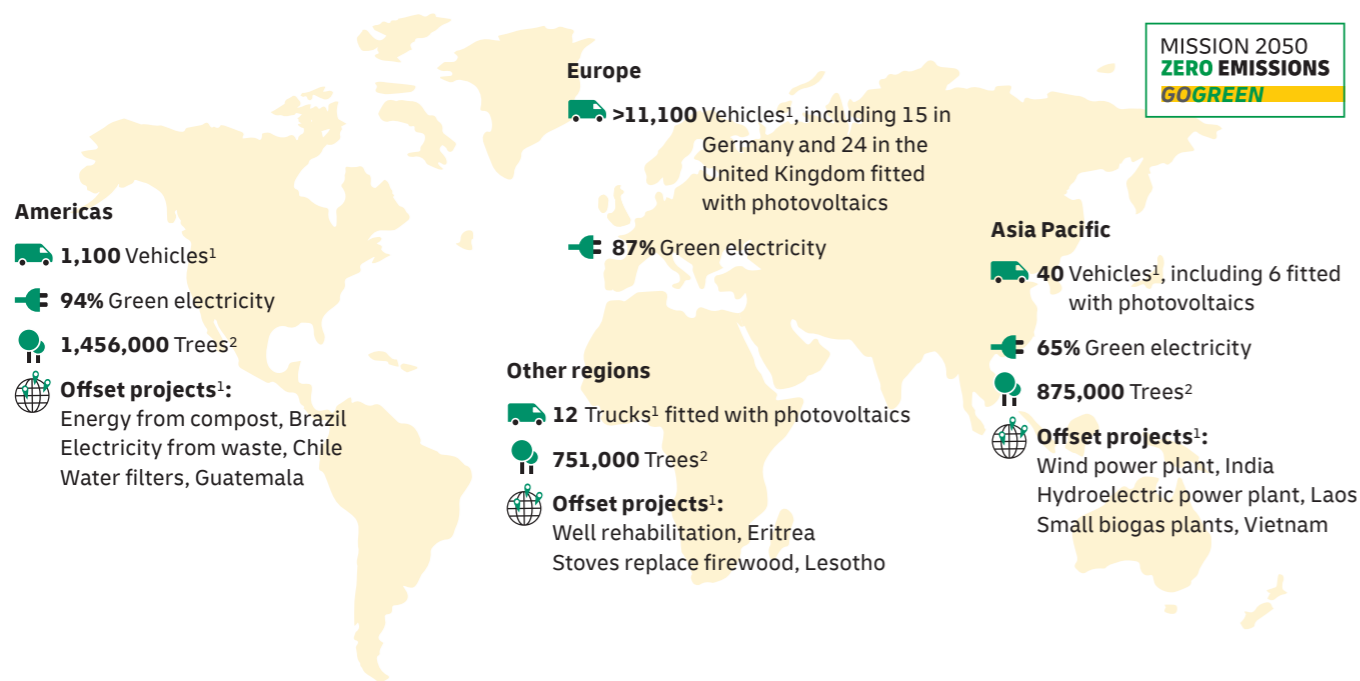
commercially viable. Our fleets also use liquid biofuels that, as specified in our Biofuel Policy, do not negatively impact local food production in the countries where they are produced.

Management system provides framework for action

An environmental management system based on ISO standards 14001 (Environment) and 50001 (Energy) creates a uniform framework for thinking and acting “green” at our sites, and helps us implement our Group-wide policies. Decisions on obtaining external certification of our sites are based on business relevance, consumption figures, the existence of standardized processes, and strategic importance. Where we run a facility on behalf of a customer, the latter decides whether or not it should undergo certification.

We operate a total of some 12,600 sites around the world. In the year under review, 7,338 of them – or 58% (2018: 68%) – were certified according to at least one of ISO standards 14001 and 50001. The decrease from the previous year was mainly due to the reorientation of, and associated organizational changes in, our post and parcel business in the year under review. [↪ Page 24](#)

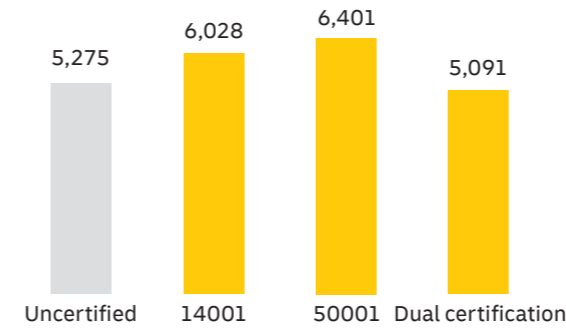
Environmental and climate protection measures in 2019



1) Not included in the review. 2) Trees planted since 2017.

ISO-certified sites in 2019

Total: 12,613



We also continued to make progress towards our other interim targets.

- We have submitted our economic target – to have more than 50% of our sales incorporate green solutions by 2025 – for review, particularly in light of current developments at EU level, such as the push to establish a taxonomy of green products. Based on the results of this review, we will decide on our next steps over the course of 2020. The method used so far to calculate the economic target is described in greater detail in last year’s report. [↪ Corporate Responsibility Report 2018, page 99](#)
- To meet our people target – we aim to certify 80% of our employees as GoGreen specialists – we rolled out the GoGreen curriculum across the Group in the year under review. The first foundation module training courses have already been held and we aim to make them available to employees in all the major languages by the end of 2020.
- As part of our forest conservation efforts, we will join partner organizations in planting one million trees per year through 2025. More than three million trees have already been planted since 2017.

Targets and progress in the year under review

Our Mission 2050 includes interim targets for 2025. In the year under review, the following progress was made towards the latter:

CO₂ FREE Energy efficiency & climate protection

- **Improve carbon efficiency (CEX) by 50% compared to the 2007 baseline by 2025**
- **Target for 2019:** Improve CEX by at least one index point
Status: ✔ Achieved [↪ Page 90](#)
- **Target for 2020:** Improve CEX by at least one index point

Air pollution

- **Operate 70% of our first and last mile services with zero-emission solutions by 2025**
- **Target for 2019:** Continued expansion of electromobility
Status: ✔ Achieved [↪ Page 93](#)
- **Target for 2020:** Continue to expand our use of zero-emission solutions



Carbon efficiency & fuel consumption ✓

As a global logistics company, we operate our own fleets and buildings around the world, and rely on additional capacity provided by transportation subcontractors. 86% of greenhouse gas emissions produced by the Group and its transportation partners are attributable to air and road transportation. However, energy consumption in our buildings and facilities also contributes to greenhouse gas emissions. We are addressing these impacts with a comprehensive efficiency management system and innovative technologies, and by continually investing in modernizing our fleets and buildings. New acquisitions of transportation vehicles or building technologies must meet our GoGreen minimum standards for heavy transports and buildings. Proof of compliance with these standards must be submitted with applications to the Investment Committee and reviewed in accordance with the Investment Policy.

BURN LESS AND BURN CLEAN

Our dual strategy of reducing energy/fuel consumption (“burn less”) while increasing the use of alternative drive systems and sustainable fuels (“burn clean”) helps reduce our dependence on fossil fuels and increase our carbon efficiency.

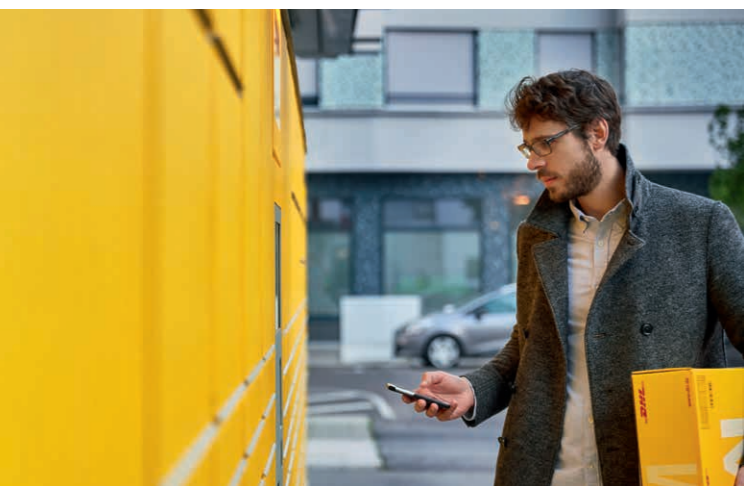
We believe that sustainable synthetic fuels will play a key role in the years ahead. Equally, we are well positioned to react to future regulatory changes and manage our cost structure, considerations which will contribute to the stability of our business over the long term.

Sustainable subcontractor management

Our environmental targets are embedded in our Supplier Code of Conduct, which is a mandatory component of all Group contracts with subcontractors. We work closely with them on climate-friendly transportation solutions. Subcontractor management plays a particularly large role in our Global Forwarding, Freight division, where we do not operate any large fleets of our own, but primarily broker load capacity on behalf of our customers, and partner with airlines, shipping companies, freight carriers and rail companies. Here are two examples:

- We use “carrier scorecards” to integrate air and ocean freight subcontractors with our environmental efficiency measures and systematically evaluate their environmental performance. At the customer’s request, we give preference to providers with stronger environmental performance when selecting a carrier.
- In Sweden, we offer customers the option of supporting climate-friendly transportation for a small surcharge. Each time this option is requested, we use sustainable technologies or fuels to move goods a corresponding distance (tonne-kilometers) within our Swedish transportation network. Using insetting in this way rather than an offsetting solution allows us to reduce emissions in our own business. In this context, trucks equipped with climate-friendly technologies and working on behalf of DPDHL Group have covered a distance equivalent to circling the globe 800 times.

USE PACKSTATIONS TO REDUCE DELIVERY TOURS AND EMISSIONS

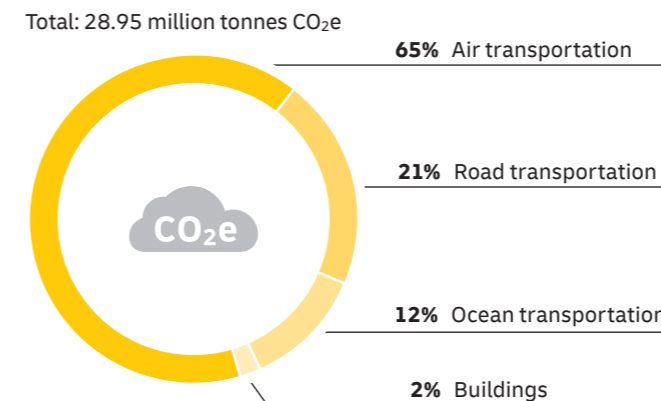


Our efficiency principle

The ongoing heavy demand for transportation solutions, due in large part to the boom in e-commerce, is also reflected in our carbon emissions and fuel consumption. By improving efficiency, we can decouple the link between increased logistics services volumes and increased greenhouse gas emissions. The baseline and reference value for carbon efficiency calculations is the ratio of greenhouse gas emissions to logistics services in 2007, with 2007 being considered to have a zero efficiency.

The bulk of greenhouse gas emissions are calculated automatically via our financial systems and the results serve as the basis for our internal and external reporting. Calculations are based on guidelines provided by the Greenhouse Gas Protocol, the Global Logistics Emissions Council, the EN 16258 standard and the requirements outlined by the European Emissions Trading System (ETS). In line with this, we do not include compensation via CO₂ emissions certificates in our calculations. Subcontractor emissions are included using calculation models derived from the same standards. Efficiency gains are measured using the CEX, which is based on specific emission intensity figures for each business unit.

(Total) carbon emissions by source in 2019

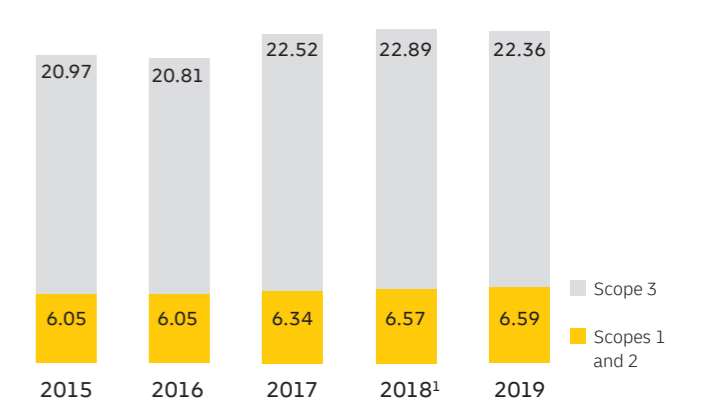


Emissions & fuel consumption

Carbon emissions declined slightly in the year under review. A total of 28.95 million tonnes CO₂e could be attributed to our logistics services – down 2% from the adjusted prior-year figure of 29.46 million tonnes CO₂e. At 6.59 million tonnes CO₂e, direct emissions from our own operations (Scopes 1 and 2) amounted to 23% of total CO₂e. Total carbon emissions included 0.1 million tonnes CO₂e attributable to our employees’ business travel. [Page 106](#)

- **Scope 1 emissions** increased by 1% to 6.38 million tonnes CO₂e (2018: 6.30 million tonnes CO₂e). This was largely due to growth in our Express division’s air freight business.
- **Scope 2 emissions** decreased by 22% to 0.21 million tonnes CO₂e (2018: 0.27 million tonnes CO₂e). This was due in part to the increased use of renewable energy, especially in our Express, Global Forwarding, Freight and Supply Chain divisions.
- **Scope 3 emissions** decreased by 2% to 22.36 million tonnes CO₂e (2018, adjusted: 22.89 million tonnes CO₂e). This is a reflection of lower air freight volumes and improved ocean freight efficiency in our Global Forwarding, Freight division – and was sufficient to offset the increase in emissions at Express.

CO₂e emissions (million tonnes)



1) Adjusted.

Emission intensity (the ratio of Scope 1 and 2 emissions to Group revenue) was 103g CO₂e per € revenue (2018: 107g CO₂e per € revenue). Total emission intensity (Scopes 1–3) was 455g per € revenue (2018: 479g per € revenue).

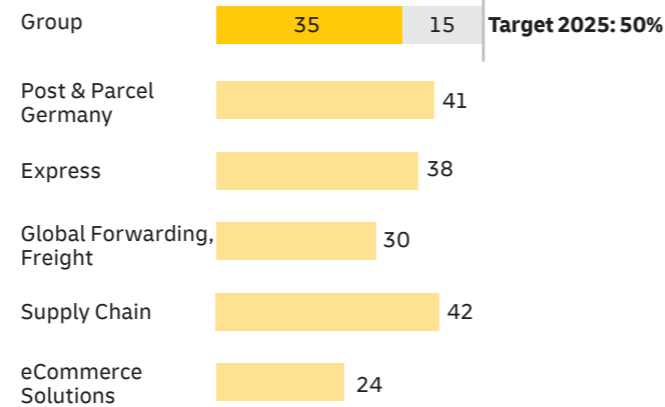
Continuous improvements in efficiency

We improved efficiency by 2 percentage points in the year under review to a total of 35% above the 2007 baseline. This was achieved mainly through efficiency improvements in our Global Forwarding, Freight and Supply Chain divisions.

- **Post & Parcel Germany:** The CEX was up 2 index points over the prior-year figure, largely due to the decline in the percentage of import and export volumes in the mail business.
- **Express:** Efficiency remained at the prior-year level due to increased use of renewable energy at our sites.
- **Global Forwarding, Freight:** Efficiency gains in both our ocean freight and road freight businesses combined to push the CEX 2 index points higher than in the prior year.
- **Supply Chain:** The CEX improved by 3 index points thanks to greater use of renewable energy in our warehouses and improved efficiency in distribution from warehouse to customer.
- **eCommerce Solutions:** At 24 index points, the CEX remained at the prior-year level.

By the end of 2020, we want to improve our CEX score by at least one additional index point, to 36%, by year's end. By 2025, our goal is to achieve an efficiency improvement of 50% compared to the 2007 baseline.

Carbon Efficiency Index (CEX) in 2019



Efficiency gains in fleets & buildings

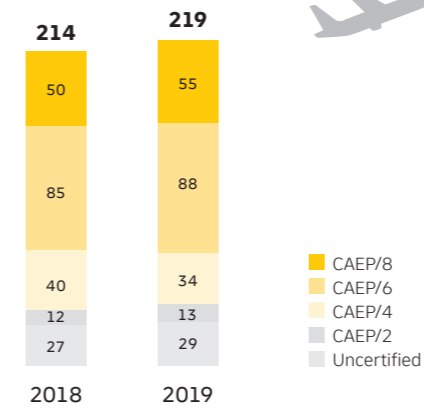
In addition to continually modernizing our fleets and increasing our use of renewable energy, we actively promote e-mobility and are engaged in a variety of initiatives to promote the development and use of alternative, sustainable fuels. We are also involved in local noise abatement initiatives. In the year under review, we published a position paper on the use of sustainable synthetic fuels. The paper aims to stimulate public debate and highlight the fact that this new generation of fuels is currently the only alternative for achieving real reductions in greenhouse gas emissions in air and ocean freight in particular. During the year under review, road transportation fuel consumption fell to 4,442 million kWh (2018: 4,592 million kWh) as a result of efficiency measures. [Page 105](#)

Air fleet upgrade continued

We continued upgrading our fleet of 260 dedicated cargo aircraft, which includes smaller feeder aircraft, in the year under review. In 2019, four of the 14 aircraft ordered in 2018 to replace older planes were put into service. These will generate roughly 18% less carbon emissions and contribute to improved fuel and emissions efficiency. The next six aircraft are scheduled to be operational in 2020.

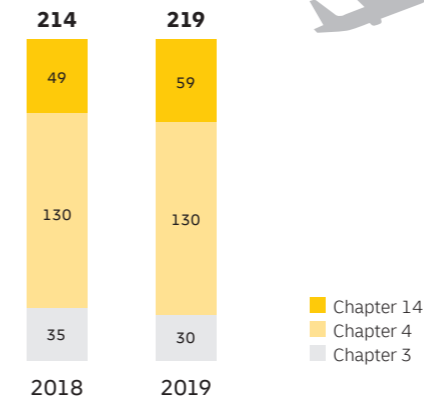
We recorded a further increase in Express transportation volumes in the reporting year, resulting in higher fuel consumption and carbon emissions. We were unable to offset this increase despite the positive effects of improved route and network optimization. At 19,032 million kWh, fuel consumption in 2019 was 2% higher than the previous year (2018: 18,598 million kWh). Air transportation operations generated 4.94 million tonnes CO₂e (2018: 4.82 million tonnes CO₂e), accounting for 75% of our Scope 1 and Scope 2 CO₂e emissions. [Page 105](#)

Aircraft¹ by nitrous oxide (NO_x) emissions standards^{2, 3}



1) Dedicated aircraft (jet aircraft) in the Express division. 2) NO_x emissions. 3) Not included in the review.

Aircraft¹ by noise standard²



1) Dedicated aircraft (jet aircraft) in the Express division. 2) Not included in the review.

Modern, efficient road fleet (not included in the review)

Our road transportation operations rely on our own fleet of around 103,600 vehicles worldwide, including some 12,900 with alternative drive systems. We implement any one of many different efficiency measures – or a combination of several of them – to achieve efficiency gains, based on factors such as the requirements profile, vehicle type and route.

Road fleet by vehicle category¹

Total: 103,573 vehicles



1) Not included in the review.

Technological innovations in the field of aerodynamics, light-weight vehicle design, speed limiting systems and low rolling resistance tires are helping us reduce fuel consumption in our conventional fuel vehicles. We also rely increasingly on alternative drive systems and fuels. The primary focus here is on electromobility for short-distance transportation. For long-haul transportation, we are testing the use of sustainably produced biofuels and LPG drive systems. For heavy transports, i.e., trucks with a gross vehicle weight of over 7.5 tonnes, we have defined minimum standards across the Group.

We also achieve efficiency gains through intelligent network and route planning, and the use of alternative modes of transportation. Increased digitalization means that recording data via sensors and apps is becoming easier and easier, further improving our ability to connect logistics chains across continents and optimize processes.

Green electricity reduces share of emissions from buildings

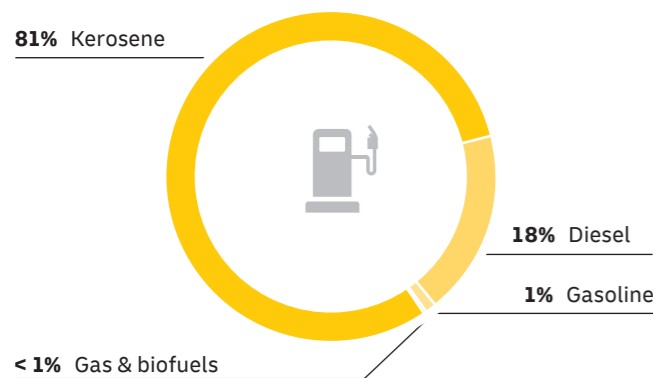
Just 2% of our overall CO₂e emissions can be attributed to the approx. 12,600 sites we operate worldwide. This is primarily due to the increased use of new building technologies and the high percentage of green electricity used. We also train our employees how to use the technologies so that they can play an active role in helping us conserve resources.

Green electricity already meets 83% of our total electricity demands across the Group and meets our requirements almost entirely in 27 countries. We will continue to increase our use of green electricity where this is commercially viable and it is available in sufficient quality/quantities in the markets concerned.

Energy consumption in our buildings and facilities was 3,139 million kWh in the year under review (2018: 3,194 million kWh) – around 2% down on the prior-year level. We were once again able to avoid 0.54 million tonnes CO₂e emissions (2018: 0.53 million tonnes CO₂e), primarily through the use of green electricity. [➔ Page 105](#)

Fleet: Group energy consumption in 2019

Total: 23,519 million kWh

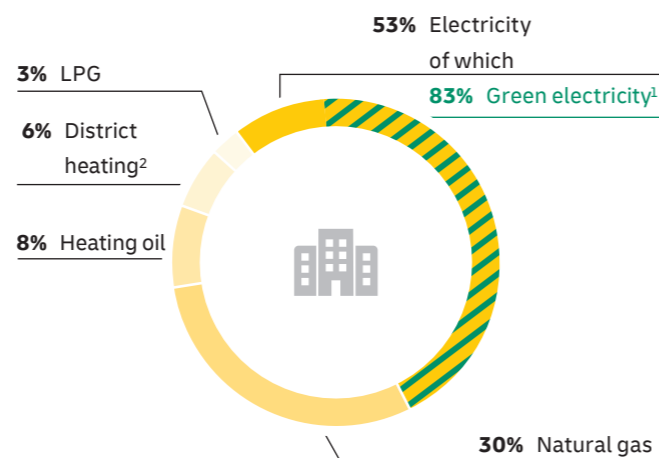


Examples (not included in the review):

- In Panama, photovoltaics provide 82% of the energy required at one of our sites. In 2019, this led to 65 tonnes CO₂e emissions being saved.
- Tampere, Finland is the site of our first zero-emission facility, which combines state-of-the-art photovoltaics with geothermal systems for heating and cooling.
- Our logistics center at Cologne-Bonn Airport in Germany uses an ice energy storage system with a holding capacity of over 1.3 million liters for heating and cooling. Used in combination with a heat pump and photovoltaics, this system is also entirely emissions free.

Buildings: Group energy consumption in 2019

Total: 3,139 million kWh



1) Countries in which nearly all electricity needs are met: Argentina, Belgium, Brazil, Canada, Columbia, Finland, France, Germany, Hong Kong, India, Indonesia, Ireland, Italy, Mexico, Netherlands, Norway, Philippines, Puerto Rico, Singapore, South Africa, Sweden, Taiwan, Thailand, Turkey, UK, USA, Vietnam. 2) Incl. district cooling.

Reducing air pollution ✓

Burning fossil fuels results in local air pollutants such as mono-nitrogen oxides (NO_x), sulfur dioxide (SO₂) and particulate matter (PM₁₀), which negatively impact air quality, especially in urban areas. Our business model bears a share of this responsibility, which is why we want to minimize air pollution with zero-emission solutions such as pick-up and delivery by foot, bicycle and electric vehicle.

By 2025, we want to reduce local air pollution emissions by operating 70% of our own first and last mile services with zero-emission solutions. This applies exclusively to our own services (GHG Protocol Scopes 1 and 2). We continuously optimize our pick-up and delivery routes, with increased focus on delivery by foot, bicycle, or full or partial e-mobility. In the year under review, the percentage of such pick-up and delivery solutions was already at 33%. As planned, we rolled out e-mobility solutions outside Germany as well. In 2020, we will continue to expand our use of zero-emission solutions for first and last mile services.

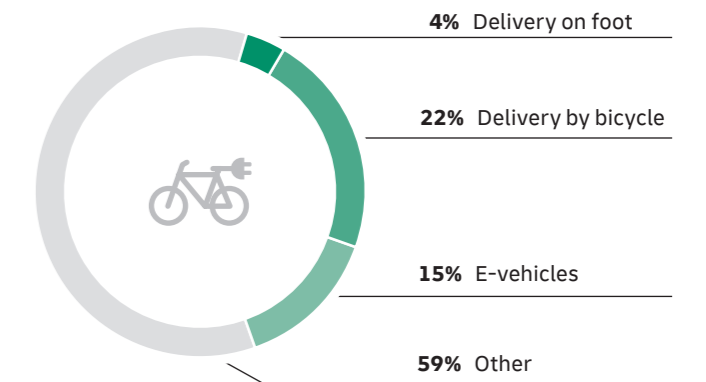
Zero-emission delivery

In our Post & Parcel Germany division, we already use some 27,000 bicycles, including 13,000 e-bikes and 235 cargo bikes, for pick-up and delivery operations. In the year under review, we added 1,500 new e-bikes to our bicycle fleet.

As part of our City Hub solution, Express division couriers use cargo bikes to pick up and load pre-sorted delivery containers at central points. The concept has already been successfully deployed in numerous European cities. By replacing a conventional delivery van, a single Cubicycle electric cargo bike can save up to 8 tonnes CO₂e per year. The year under review

Zero-emission delivery in Germany in 2019¹⁾

No. delivery districts: 68,091



1) Post & Parcel Germany in 2019.



StreetScooter in figures¹⁾

- 10,802 StreetScooters
- 14,460 charging stations
- 120 million kilometers driven
- Carbon savings of 39,600 tonnes

1) Not included in the review.

also saw Cubicycles introduced to Dublin, Rotterdam, Groening, Frankfurt, Copenhagen, Turku and Vienna, where they help reduce noise pollution and take some of the pressure off the parking problem in cities.

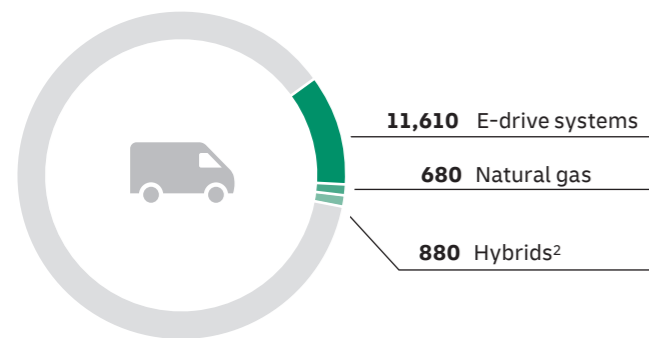
ONE CARGO BIKE CAN SAVE UP TO 8 TONNES OF CARBON EMISSIONS¹ PER YEAR

Increased proportion of alternative drive systems (not included in the review)

We already use 13,532 vehicles with alternative drive systems within the Group, including 11,610 electric vehicles. As there is still no single solution for significantly reducing fossil fuel consumption or avoiding emissions in logistics, we are testing and deploying a number of promising alternative technologies and measures in our fleets and at our sites, including electric vehicles up to and including plug-in hybrids for short trips and fuel cell vehicles and vehicles powered by sustainable liquid fuels such as biodiesel over longer distances.

Alternative drive systems in 2019¹

Total: 103,573 Vehicles



1) Not included in the review. 2) Including 71 dual-fuel drive systems.

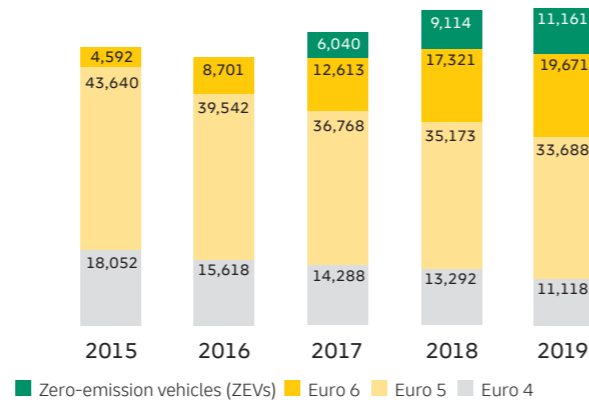
Examples (not included in the review):

- **Electric trucks:** We are already piloting 6 electric trucks (up to 7.5 t) in Germany and 3 heavy-duty electric trucks (12 t) in the Netherlands.
- **Photovoltaics powering onboard electronics:** We are fitting vehicles and trailers with two-millimeter thick solar mats developed by TRAILAR, a start-up founded by Group employees. Over 500 trucks have already been fitted with the mats, which can save up to 4.5 tonnes of carbon emissions per vehicle per year and reduce fuel consumption by up to 5%. In 2020, TRAILAR will launch on the international market.

We continuously upgrade our conventional vehicles in accordance with the latest emissions standards. By optimizing pick-up and delivery routes, we also help minimize the impact on air quality in urban areas. 80% of vehicles in our conventional road fleet were compliant with Euro 5 or Euro 6 standards, or were entirely emissions-free (ZEVs). [➔ Page 108](#)

Vehicles by emission class in 2019¹

Total: 75,638 Vehicles²



1) Not included in the review. 2) Comprises the largest vehicle fleets in areas covered by the Euro emissions classifications.

Green products

We offer our customers a range of green products that help them understand their environmental footprint and give them the option of minimizing that impact by using alternative modes of transportation or offsetting emissions. We also offer comprehensive consulting services to help customers optimize efficiency across their supply chains.

Our product portfolio

Our mix of standardized and customized products helps customers achieve their own climate targets and make their supply chains greener.

- **Carbon Reports:** As a service to our customers, we measure the greenhouse gas emissions resulting from the transportation and logistics services we provide to them, and make this information available in various formats.
- **Climate neutral products:** Customers can offset their transportation and logistics-related greenhouse gas emissions with Gold Standard certified climate projects. One example of this is our own climate protection project in Lesotho. In the year under review, we transported some two billion climate neutral shipments, which we estimate would have required an offset of around 270,000 tonnes CO₂e (2018: 250,000 tonnes CO₂e). The review was concluded after the publication date of this report. Our own climate project in Lesotho generated some 30,000 CO₂ emissions certificates in 2019. The project has already saved around 150,000 tonnes CO₂e since its launch in 2012.

THE LESOTHO PROJECT OFFSETS 150,000 t OF CARBON EMISSIONS

- **Green optimization:** Our experts analyze our customers' entire supply chains and generate tailored solutions for them – from designs for multimodal logistics networks to warehouse logistics solutions. Along with the environmental benefits, these analyses also help identify cost-savings potential.

- **Enabling the circular economy:** This product is continuing to gain in importance as part of our green optimization process. Our DHL Envirosolutions product portfolio helps customers develop solutions for reverse logistics and waste management logistics, and to meet extended producer responsibility requirements. In one project we are working on reducing single-use plastic in the supply chain, and implementing sustainable packaging solutions. In Brazil, our Express division already offers its major customers reusable and recyclable solutions for pallet transportation consisting of durable nets with hooks to hold goods on the pallet. This solution is now also being tested by the Supply Chain division at a warehouse belonging to one of its major customers in the Czech Republic.

Training & reforestation ✓

We believe that employee engagement can make a key contribution to realizing our environmental targets. We plan to certify 80% of our employees as GoGreen specialists by 2025 so as to actively involve staff in our environmental and climate protection activities. We are also engaged in forest conservation, and will be planting one million trees a year through 2025 together with recognized partner organizations.

Becoming a GoGreen specialist

Our GoGreen Certified training for employees is designed to not only enhance their basic theoretical understanding of environmental protection, but also empower them to support the Group's environmental targets in their daily work. The curriculum consists of a foundation module plus additional optional modules focused on the individual divisions and their respective requirements. By year-end, around 20,000 employees had successfully completed the foundation module. In 2020, the modules will be made available to Group employees in the most frequently used languages.

Over three million trees already planted

Forests support and protect both people and the environment in diverse ways. Capturing CO₂ from the air to mitigate greenhouse warming is one of the many ecosystem services they provide. The majority of the trees used in our

reforestation efforts will be planted by our partner organizations – recognized charities, NGOs and national forestry authorities around the world – since they are most familiar with local conditions and habitats. In the year under review, employees once again joined with partner organizations to plant over one million trees, raising our total contribution so far to more than three million trees in support of global reforestation efforts.

Other environmental aspects

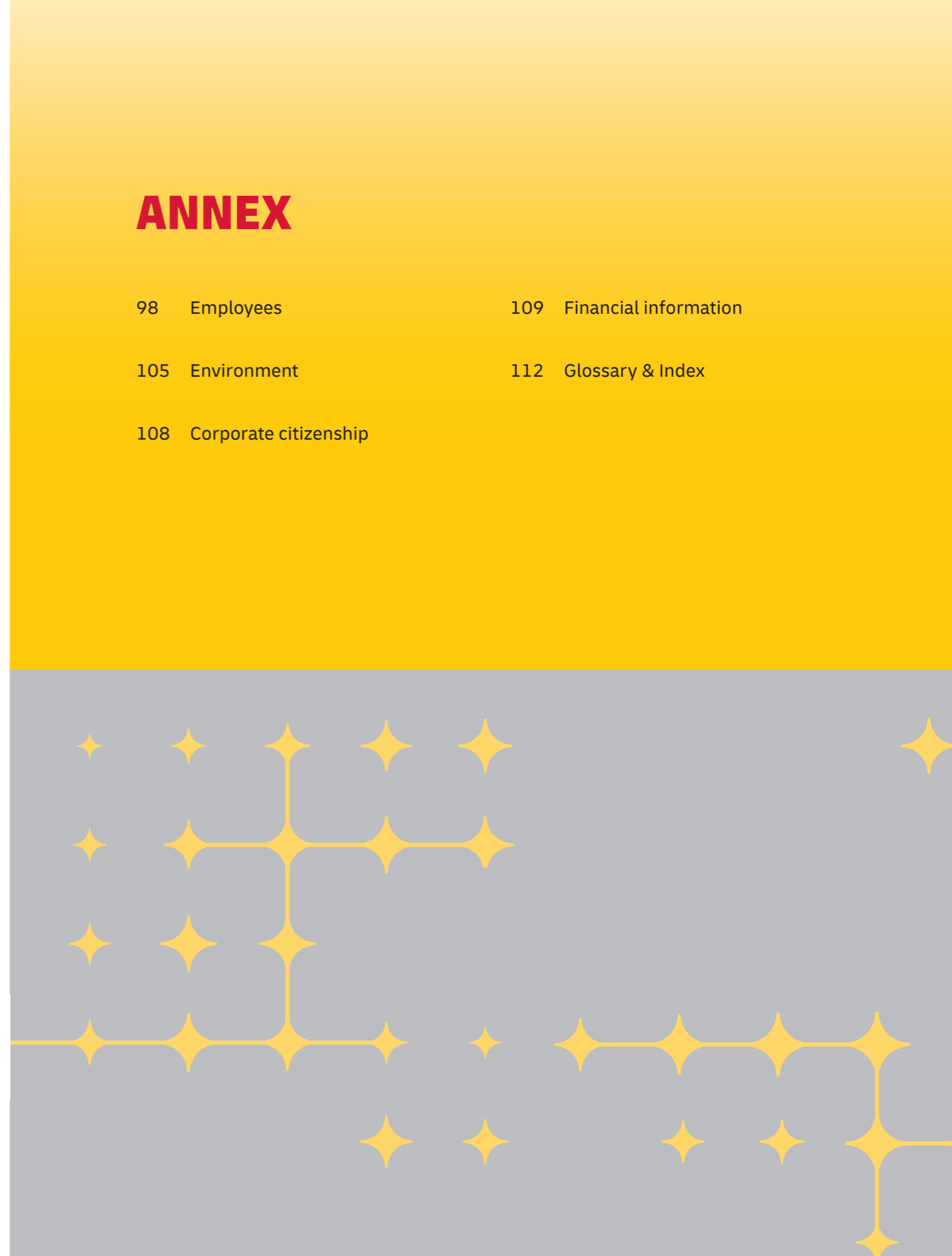
Issues such as noise pollution, waste, natural resources and biodiversity are not considered material issues by the company or our stakeholders, since our business model does not have a serious environmental impact in these areas. We nevertheless consider these issues to be socially relevant, and report on them briefly in this report.

- **Noise pollution:** Management at Group sites located in or near residential areas works closely with residents and other stakeholders to ensure that any noise pollution we cause is kept to an acceptable minimum. Our increased use of electric vehicles for pick-up and delivery and the modernization of our air fleet is also helping to reduce noise pollution.
- **Waste and recycling:** We try to avoid waste such as transportation packaging or office-based paper waste whenever possible and take increasing advantage of digitalization to do so. We also support materials recycling, contributing to the circular economy. Maintenance and decommissioning or scrapping of our aircraft, road vehicles and IT equipment is generally the responsibility of the manufacturer or other third-party providers. Our maintenance and disposal contracts include explicit requirements for compliance with environmentally-friendly practices. Although waste is not considered a material issue, waste separation is the standard procedure at many of our sites. Waste is recorded and properly disposed of under our local environmental management systems. We also share our know-how with customers, such as offering major customers in Brazil a reusable and recyclable packaging solution for pallet transport.

- **Natural resources:** We use only recycled paper products where these meet our technical and economic requirements. We are reducing our paper usage and packaging volumes to help lower demand for virgin paper and collaborate closely with experts and customers in this area. Water is used primarily for drinking and sanitation at our facilities, and is obtained largely from municipal suppliers and discharged into public sewage systems. We implement measures to minimize water consumption as part of our environmental management activities. For new construction projects, we also look to install water recovery systems and water-efficient sanitary installations where possible. As water consumption and disposal are not among our material environmental issues, we report only on consumption in Germany and do not record data on Group-wide water usage. [Page 108](#)
- **Biodiversity:** Our business operations generally do not have a negative impact on conservation areas or endangered protected plant or animal species, since our sites are predominantly located in urban areas or designated industrial and commercial zones. Nevertheless, our business activity still has an impact on ecosystems through greenhouse gas emissions, air pollution, resource consumption and other environmental factors. This is why, for example, our Group-wide Policy on the Usage of Liquid Biofuels also addresses biodiversity aspects in the countries where biofuels are produced. Additionally, we support the United Nation’s Convention on Biological Diversity. Our terms and conditions explicitly prohibit the use of our network to transport protected plant and animal species. We are a member of the United for Wildlife Transport Taskforce. In Thailand in particular, we are involved in efforts to stop wildlife trade, and held a workshop on the issue to raise awareness among our employees.

ANNEX

98	Employees	109	Financial information
105	Environment	112	Glossary & Index
108	Corporate citizenship		



ANNEX

EMPLOYEES

Employees (headcount)¹ ✓

GRI 102-8; SASB TR-AF-320a.1; TR-AF-540a.2, TR-AF-540a.3; ⓘ Page 58

	2014	2015	2016	2017	2018 ²	2019
Employees at year end						
Group	488,824	497,745	508,036	519,544	547,459	546,924
of which Hourly workers and salaried employees	n. r.	n. r.	n. r.	483,927	513,770	516,467
Civil servants	n. r.	n. r.	n. r.	29,694	27,805	24,926
Apprentices and trainees	n. r.	n. r.	n. r.	5,923	5,884	5,531
Part-time employees (%)	18	18	19	18	18	17
By region						
Europe	322,440	326,979	333,080	339,521	351,429	348,604
of which Europe excl. Germany	116,709	118,239	121,987	123,719	128,782	127,700
Germany	205,731	208,740	211,093	215,802	222,647	220,904
Americas	76,230	78,027	81,152	84,470	92,753	96,413
Asia Pacific	72,121	73,843	75,045	76,727	84,036	80,687
Other regions	18,033	18,896	18,759	18,826	19,241	21,220
By division						
Post & Parcel Germany	200,868	206,686	214,873	219,738	192,244	190,263
Express	79,896	87,453	88,409	96,047	101,420	103,878
Global Forwarding, Freight	47,079	44,737	44,283	43,438	45,412	45,426
Supply Chain	148,329	147,650	149,279	148,201	158,419	159,430
eCommerce Solutions	-	-	-	-	36,897	34,795
Corporate Functions	12,652	11,219	11,192	12,120	13,067	13,132
Employees (annual average)						
Group	484,025	492,865	498,459	513,338	534,370	544,282
of which Hourly workers and salaried employees	440,973	451,882	459,990	477,251	499,943	512,325
Civil servants	37,963	35,669	32,976	30,468	28,718	26,296
Apprentices and trainees	5,089	5,314	5,493	5,619	5,709	5,661
By region						
Europe	n. r.	n. r.	n. r.	334,868	345,918	347,779
of which Europe excl. Germany	n. r.	n. r.	n. r.	123,270	126,229	127,480
Germany	n. r.	n. r.	n. r.	211,598	219,689	220,299
Americas	n. r.	n. r.	n. r.	83,012	88,481	94,653
Asia Pacific	n. r.	n. r.	n. r.	76,770	80,841	81,617
Other regions	n. r.	n. r.	n. r.	18,688	19,130	20,233
By division						
Post & Parcel Germany	n. r.	n. r.	n. r.	215,303	189,814	189,490
Express	n. r.	n. r.	n. r.	90,884	98,697	102,356
Global Forwarding, Freight	n. r.	n. r.	n. r.	44,142	44,933	45,837
Supply Chain	n. r.	n. r.	n. r.	151,230	154,034	157,656
eCommerce Solutions	-	-	-	-	34,237	35,866
Corporate Functions	n. r.	n. r.	n. r.	11,779	12,655	13,077

n. r. = not reported. 1) Incl. apprentices and trainees. 2) Adjusted, according to note 9 to the consolidated financial statements, ⓘ 2019 Annual Report.

Full-time equivalents (FTE) ✓

GRI 102-8; SASB TR-AF-320a.1; TR-AF-540a.2, TR-AF-540a.3; ⓘ Page 58

	2014	2015	2016	2017	2018 ³	2019
Full-time equivalents at year end¹						
Group	443,784	450,508	459,262	472,208	499,018	499,250
By region						
Europe	279,486	282,688	287,641	294,839	305,848	303,543
of which Europe excl. Germany	108,890	109,646	113,104	114,360	118,745	117,748
Germany	170,596	173,042	174,537	180,479	187,103	185,795
Americas	74,573	76,666	79,347	82,887	90,648	94,696
Asia Pacific	71,216	72,723	73,979	76,081	83,561	80,135
Other regions	18,509	18,431	18,295	18,401	18,961	20,876
By division						
Post & Parcel Germany	166,342	170,549	177,307	183,430	160,354	158,713
Express	75,185	82,127	82,792	90,784	95,717	98,203
Global Forwarding, Freight	44,059	42,200	41,886	41,034	42,783	42,712
Supply Chain	146,220	145,032	146,739	145,575	155,954	156,836
eCommerce Solutions	-	-	-	-	31,883	30,335
Corporate Functions	11,978	10,600	10,538	11,385	12,327	12,451
Full-time equivalents (annual average)²						
Group	440,809	449,910	453,990	468,724	489,571	499,461
By region						
Europe	n. r.	n. r.	n. r.	292,374	303,621	305,333
of which Europe excl. Germany	n. r.	n. r.	n. r.	114,400	117,054	117,822
Germany	n. r.	n. r.	n. r.	177,974	186,567	187,511
Americas	n. r.	n. r.	n. r.	81,499	86,547	92,752
Asia Pacific	n. r.	n. r.	n. r.	76,419	80,563	81,429
Other regions	n. r.	n. r.	n. r.	18,432	18,840	19,947
By division						
Post & Parcel Germany	164,582	169,430	172,717	179,345	159,032	159,100
Express	73,009	79,318	81,615	86,313	93,550	96,850
Global Forwarding, Freight	44,311	44,588	43,060	42,646	43,347	44,265
Supply Chain	146,400	145,827	145,788	149,042	151,877	155,791
eCommerce Solutions	-	-	-	-	29,493	30,797
Corporate Functions	12,507	10,747	10,810	11,378	12,272	12,659

n. r. = not reported. 1) Excl. apprentices and trainees. 2) Incl. apprentices and trainees. 3) Adjusted, according to note 9 to the consolidated financial statements, ⓘ 2019 Annual Report.

Temporary external FTEs (with internal reporting lines) (annual average) ✓ GRI 102-8; SASB TR-AF-320a.1; TR-AF-540a.2, TR-AF-540a.3; 📄 Page 58

Annual average	2017	2018 ¹	2019
Group	76,513	78,822	83,166
By region			
Europe	37,540	37,514	34,483
of which Europe excl. Germany	32,473	33,138	30,446
Germany	5,067	4,376	4,037
Americas	12,370	11,982	12,519
Asia Pacific	23,789	26,456	33,514
Other regions	2,814	2,870	2,650
By division			
Post & Parcel Germany	6,770	2,672	2,379
Express	8,268	7,859	7,401
Global Forwarding, Freight	2,497	3,273	2,618
Supply Chain	58,850	59,405	55,384
eCommerce Solutions	-	4,581	13,193
Corporate Functions	127	1,031	2,190

n. r. = not reported. 1) Adjusted, according to note 9 to the consolidated financial statements, 📄 2019 Annual Report.

Employee turnover (%) ✓

📄 Page 60

	2014	2015	2016	2017	2018 ²	2019
Group	12.6	13.6	14.9	15.3	16.6	18.1
of which Planned employee turnover	6.1	6.6	7.3	6.8	7.4	9.1
Unplanned employee turnover	6.6	7.0	7.6	8.5	9.2	9.0
Employee turnover in management ¹	-	-	6.7	6.4	7.4	9.6
Internal management placements ¹	86.9	81.1	78.3	80.8	78.7	82.8
Unplanned employee turnover						
By region						
Europe	3.3	3.8	4.3	4.7	4.9	5.1
of which Europe excl. Germany	8.2	8.7	10.0	10.8	10.9	10.8
Germany	0.6	0.9	0.9	1.2	1.5	1.8
Americas	15.6	15.7	18.8	22.8	25.3	22.7
Asia Pacific	11.5	11.9	10.4	10.5	11.0	10.5
Other regions	7.1	7.0	6.3	5.1	5.2	4.7
By division						
Post & Parcel Germany	2.0	2.6	2.8	3.5	1.1	1.4
Express	7.1	7.1	8.5	9.4	9.8	8.3
Global Forwarding, Freight	10.0	10.9	10.2	11.0	11.4	10.1
Supply Chain	12.0	11.9	13.3	14.8	16.5	16.7
eCommerce Solutions	-	-	-	-	18.5	16.7
Corporate Functions	3.3	4.7	5.1	4.7	5.7	5.3

1) Upper and middle management. 2) Adjusted, according to note 9 to the consolidated financial statements, 📄 2019 Annual Report.

Employee age structure

📄 Page 58

	2016 ¹	2017 ¹	2018 ¹	2019 ¹			
	Average employee age			Average employee age	Percentage of employees		
					26 and under	27 and over	55 and over
Group	41	41	41	41	13%	70%	17%
By region							
Europe	43	43	43	43	11%	66%	23%
of which Europe excl. Germany	41	41	41	41	12%	72%	16%
Germany	45	44	44	45	11%	63%	26%
Americas	38	38	38	38	19%	70%	11%
Asia Pacific	35	35	35	35	18%	78%	4%
Other regions	36	37	41	37	10%	86%	4%
By division							
Post & Parcel Germany	-	44	43	45	11%	62%	27%
Express	-	37	38	38	15%	78%	7%
Global Forwarding, Freight	-	39	38	38	16%	73%	11%
Supply Chain	-	39	39	39	16%	71%	13%
eCommerce Solutions	-	-	-	44	0%	84%	16%
Corporate Functions	-	44	43	46	7%	61%	32%

1) Group coverage rate: 97% in 2017; 94% in 2016; min. 99% as of 2018.

Generations Pact in Germany¹: Employees with working time accounts² and in partial retirement ✓

📄 Page 58

At year end	2014	2015	2016	2017	2018	2019
Employees with working time accounts	18,788	20,404	25,724	28,030	29,481	32,616
Of whom Salaried employees	18,788	20,404	22,801	24,401	25,464	28,444
Civil servants	-	-	2,923	3,629	4,017	4,172
Employees in partial retirement	2,323	3,305	4,307	4,962	5,432	6,251
Of whom Salaried employees	2,323	3,305	3,718	3,886	4,115	4,929
Civil servants	-	-	589	1,076	1,317	1,322

1) Deutsche Post AG, principal company in Germany. 2) Lifetime working time accounts for civil servants.

Employees with disabilities in Germany^{1,2} ✓

📄 Page 58

Annual average	2014	2015	2016	2017	2018	2019
Employees with disabilities	14,741	15,149	15,456	15,534	15,610	15,382
Percentage of total employees (%)	9.1	9.6	9.9	9.8	9.5	9.1

1) Deutsche Post AG, principal company in Germany. 2) In accordance with section 80 Sozialgesetzbuch IX (German Social Code IX).

Employees by gender at year end (%)

Page 58

	2014	2015	2016	2017	2018 ¹	2019
Group at year end						
Female employees	35.9	35.5	35.0	35.0	34.8	34.4
Male employees	64.1	64.5	65.0	65.0	65.2	65.6
Percentage of female employees						
By region						
Europe	39.3	38.7	38.1	37.8	37.4	37.0
of which Europe excl. Germany	28.7	28.8	29.0	29.6	29.9	30.1
Germany	45.2	44.3	43.4	42.5	41.8	40.9
Americas	30.2	32.0	31.7	31.4	31.8	32.5
Asia Pacific	29.7	28.8	27.9	29.7	29.8	28.2
Other regions	23.5	22.3	23.1	23.3	24.0	25.2
By division						
Post & Parcel Germany	43.8	42.6	41.2	40.7	43.0	42.1
Express	26.7	28.5	28.3	28.5	28.5	28.7
Global Forwarding, Freight	42.3	43.9	42.4	44.3	44.4	41.5
Supply Chain	27.5	27.0	27.7	28.0	29.2	29.7
eCommerce Solutions	-	-	-	-	21.6	20.7
Corporate Functions	41.0	37.3	37.8	37.6	36.6	36.3

1) Adjusted, according to note 9 to the consolidated financial statements, 2019 Annual Report.

Results of the Group-wide Employee Opinion Survey (%)

Page 69

	2015	2016	2017	2018	2019
Participation rate Group-wide	73	74	76	76	77
Approval rating by category Group-wide					
Employee Engagement (relevant for executive bonus payments as of 2019)	73	75	75	76	77
Active Leadership (relevant for executive bonus payments until 2018)	73	74	75	76	78
Customer Centricity & Quality	79	81	80	81	82
Future & Strategy	69	72	72	72	73
Communication	74	75	76	77	78
Teamwork	83	84	84	84	85
Learning & Development	79	81	81	82	83
Job Fulfillment & Workplace	77	78	78	79	80
Continuous Improvement	65	67	68	69	70
Group Responsibility	75	77	77	78	79
Performance Enablement Index	80	81	81	81	82

Share of women in management

Page 59

	2014	2015	2016	2017	2018 ⁵	2019
Governing bodies						
Board of Management ¹	14.3	14.3	14.3	14.3	14.3	12.5
Supervisory Board ²	35.0	35.0	40.0	40.0	35.0	35.0
Upper and middle management						
Group	19.3	20.7	21.1	21.5	22.1	22.2
of which Upper management	-	17.5	18.3	18.3	18.6	19.3
Middle management	-	22.6	22.7	23.3	24.0	23.7
By region						
Europe	-	20.5	20.8	21.4	21.9	22.4
of which Europe excl. Germany	-	20.3	21.0	21.5	22.3	23.0
Germany	21.1	20.6	20.7	21.3	21.5	21.6
Americas	-	19.7	20.3	20.8	20.9	20.6
Asia Pacific	-	23.4	23.6	23.4	25.2	24.7
Other regions	-	17.4	17.8	19.3	19.1	18.5
By division						
Post & Parcel Germany	-	20.9	21.8	21.2	21.2	21.5
Express	-	20.9	20.7	21.2	22.5	22.8
Global Forwarding, Freight	-	19.6	20.5	21.6	20.5	21.0
Supply Chain	-	19.6	20.5	20.5	21.6	21.1
eCommerce Solutions	-	-	-	-	23.7	21.5
Corporate Functions	-	23.0	22.4	24.6	24.7	25.4

1) Eight board departments in all; one female board member. 2) 20 members in all: 10 shareholder representatives, 10 employee representatives.

3) Segment structure, note 9 to the consolidated financial statements, 2019 Annual Report.

Learning and development

GRI 404-1; Page 67

	2014	2015	2016	2017	2018	2019
Time invested and satisfaction Group-wide						
Total time invested Group-wide ¹ (million hours)	4.5	4.4	4.7	4.7	4.7	4.7
Training days per employee ¹	1.5	1.4	1.5	1.4	1.4	1.3
Training days per full-time employee ² (days) ¹	n. r.	n. r.	n. r.	n. r.	1.2	1.2
Training offering satisfaction rate ³	71	79	81	81	82	83
Costs for learning and development						
Training costs per employee (€) ^{1,2,4}	150	149	143	155	152	153
Training costs per full-time equivalent (€) ^{1,2,4}	166	165	159	172	168	169

1) Group coverage rate: 80% as of 2017, previously 76%. 2) Calculation based on headcount/ FTEs (annual average). 3) Corresponds to the Learning & Development indicator in the annual Employee Opinion survey. Participation rate: 77% (2019). 4) The costs were calculated in accordance with note 6 to the consolidated financial statements in the Annual Report.

Workplace accident statistics ✓

GRI 102-8, 403-2; SASB TR-AF-320a.1; TR-AF-540a.2, TR-AF-540a.3; 📄 Page 70

	2014 ²	2015 ³	2016 ³	2017 ³	2018 ^{3,4}	2019 ³
Accident rates						
LTIFR (workplace accidents per 200,000 hours worked)	4.2	4.0	4.0	4.4	4.3	4.2
By region						
Europe	n.r.	6.3	6.4	7.2	6.8	6.9
of which Europe excl. Germany	n.r.	1.6	1.5	1.9	1.9	1.6
Germany	n.r.	10.2	10.6	11.6	10.9	11.0
Americas	n.r.	1.4	1.3	1.1	1.3	1.2
Asia Pacific	n.r.	0.3	0.3	0.3	0.4	0.4
Other regions	n.r.	0.8	1.9	0.7	0.9	0.8
By division						
Post & Parcel Germany	10.1	10.0	10.2	10.9	12.1	12.5
Express	3.5	2.8	3.0	3.1	3.1	2.4
Global Forwarding, Freight	1.0	0.9	1.0	1.0	1.0	0.9
Supply Chain	0.7	0.8	0.6	0.6	0.7	0.6
eCommerce Solutions	-	-	-	-	1.5	1.6
Corporate Functions	0.5	0.5	0.4	0.4	0.8	0.4
Other key figures						
Working days lost per accident	14.2	15.6	14.8	15.3	15.8	16.5
Fatalities resulting from workplace accidents ³	4	6	4	3	8	3
of which due to road-traffic accidents	-	1	2	1	3	1

n.r. = not reported. 1) Group coverage rate: 100% as of 2018, 99% in 2017, 96% from 2015, 92% in 2014. 2) Not included in the review. 3) Including temporary external staff with internal reporting lines. 4) Adjusted, according to note 9 to the consolidated financial statements. 📄 2019 Annual Report.

Sickness rate (%) ✓

📄 Page 74

	2014	2015	2016	2017	2018 ²	2019
Group	4.9	5.1	5.1	5.2	5.3	5.3
By region						
Europe	7.0	7.2	7.3	7.6	7.6	7.8
of which Europe excl. Germany	4.1	4.2	4.0	4.2	4.3	4.6
Germany	8.6	9.1	9.4	9.7	9.7	9.7
Americas	1.6	1.7	1.7	1.8	1.8	1.9
Asia Pacific	1.3	1.5	1.7	1.6	1.6	1.7
Other regions	1.0	1.2	1.3	1.2	1.3	1.4
By division						
Post & Parcel Germany	n.r.	n.r.	n.r.	n.r.	10.1	10.2
Express	n.r.	n.r.	n.r.	n.r.	2.6	2.7
Global Forwarding, Freight	n.r.	n.r.	n.r.	n.r.	2.9	3.1
Supply Chain	n.r.	n.r.	n.r.	n.r.	3.2	3.3
eCommerce Solutions	n.r.	n.r.	n.r.	n.r.	2.5	2.5
Corporate Functions	n.r.	n.r.	n.r.	n.r.	4.6	4.3

n.r. = not reported. 1) Group coverage rate: 100% since 2017, 98% in 2016, 97% in 2015, 94% in 2014. 2) Adjusted, according to note 9 to the consolidated financial statements. 📄 2019 Annual Report.

ENVIRONMENT**Energy consumption** (million kWh) ✓

SASB TR-AF-110a.3; 📄 Page 92

	2012	2013	2014	2015	2016	2017	2018	2019
Total consumption, fleet¹	17,655	18,591	19,032	20,585	20,798	21,733	23,243	23,519
Liquid fuels	17,627	18,551	18,977	20,523	20,740	21,686	23,190	23,474
of which Kerosene	12,974	14,096	14,551	16,082	16,323	17,227	18,598	19,032
Gasoline	331	173	184	188	203	194	221	251
Biodiesel	16	6	9	12	26	28	17	5
Bioethanol	2	<1	<1	1	1	<1	<1	1
Diesel	4,298	4,272	4,227	4,236	4,178	4,234	4,351	4,183
Liquefied petroleum gas (LPG)	6	4	6	4	9	3	3	2
Gaseous fuels	28	40	55	62	58	47	53	45
of which Bio natural gas	5	3	3	2	2	2	3	5
Compressed natural gas (CNG)	23	37	52	60	21	15	34	30
Liquefied natural gas (LNG)	-	-	-	-	35	30	16	10
Total consumption, buildings	3,127	3,393	3,247	3,113	3,039	3,194	3,194	3,139
Electricity ²	1,737	1,824	1,697	1,690	1,647	1,737	1,732	1,681
of which "Green" electricity	745	1,056	1,040	1,056	1,013	1,086	1,342	1,392
Standard electricity	992	768	657	634	634	651	390	289
Natural gas	864	952	951	806	969	903	919	930
Heating oil ³	242	248	308	305	328	275	259	245
District heating	185	202	189	195	54	171	168	174
District cooling	8	8	8	1	8	8	7	8
Liquefied petroleum gas (LPG)	91	159	94	116	33	100	109	101
Total energy consumption	20,782	21,984	22,279	23,698	23,837	24,927	26,437	26,658

1) Only includes consumption of Deutsche Post DHL Group fleet. 2) Including electric vehicle consumption. 3) Also includes quantities of gasoline and diesel for auxiliary power generators.

Carbon efficiency (index points) ✓

GRI 305-4; 📄 Page 90

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 ⁴	2019
Group	0	3	9	15	18	20	22	26	29	30	32	33	35
Post & Parcel Germany ¹	0	16	17	18	27	26	25	28	31	31	31	39	41
Express ²	0	9	23	28	30	32	35	36	37	37	39	38	38
Global Forwarding, Freight ³	0	0	2	9	10	11	15	20	21	23	26	28	30
Supply Chain ⁴	0	-3	-4	11	20	26	23	27	32	30	30	39	42
eCommerce Solutions ⁵	-	-	-	-	-	-	-	-	-	-	-	24	24

1) Main reference base: CO₂e per liter (physical volume), new organizational structure, effective Jan. 1, 2019. 2) Main reference base: CO₂e per tkm. 3) Main reference base: CO₂e per tkm. 4) Main reference base: CO₂e per square meter of warehouse space and CO₂e by revenue from transportation services. 5) Main reference base: CO₂e per unit, new organizational structure, effective Jan. 1, 2019. 6) Adjusted.

CO₂e emissions (million tonnes) ✓

GRI 305-1, 305-2, 305-3; SASB TR-AF-110a.1, TR-AF-430a.2; 📄 Page 89

	2013	2014	2015	2016	2017	2018 ¹	2019
Group²	28.31	29.03	27.02	26.86	28.86	29.46	28.95
of which Scope 1	5.13	5.22	5.6	5.68	5.90	6.30	6.38
Scope 2	0.49	0.44	0.45	0.37	0.44	0.27	0.21
Scope 3	22.69	23.36	20.97	20.81	22.52	22.89	22.36
By division							
Post & Parcel Germany³	1.56	1.6	1.69	1.85	2.14	1.36	1.36
of which Scope 1	0.49	0.48	0.48	0.53	0.54	0.36	0.36
Scope 2	0.07	0.08	0.08	0.03	0.09	0.05	0.05
Scope 3	0.99	1.04	1.13	1.29	1.51	0.95	0.95
Express	8.18	8.66	9.23	9.42	9.71	10.77	11.23
of which Scope 1	3.77	3.89	4.29	4.34	4.59	4.96	5.07
Scope 2	0.13	0.12	0.13	0.13	0.13	0.07	0.06
Scope 3	4.28	4.64	4.81	4.95	4.99	5.74	6.10
Global Forwarding, Freight	16.69	16.47	14.18	13.76	15.10	14.78	14.02
of which Scope 1	0.16	0.16	0.14	0.13	0.10	0.10	0.10
Scope 2	0.05	0.05	0.05	0.05	0.05	0.03	0.02
Scope 3	16.47	16.26	13.99	13.58	14.95	14.65	13.90
Supply Chain	2.18	2.56	2.21	2.19	2.27	2.08	1.90
of which Scope 1	0.68	0.68	0.67	0.66	0.66	0.66	0.58
Scope 2	0.2	0.16	0.15	0.15	0.15	0.08	0.05
Scope 3	1.31	1.72	1.39	1.38	1.46	1.34	1.27
eCommerce Solutions³	-	-	-	-	-	0.86	0.85
of which Scope 1	-	-	-	-	-	0.20	0.20
Scope 2	-	-	-	-	-	0.02	0.01
Scope 3	-	-	-	-	-	0.64	0.64

1) Adjusted. 2) After consolidation of Scope 3 emissions from intercompany business activities, including Corporate Functions. 3) New organizational structure, effective Jan. 1, 2019.

Scope 2 CO₂e emissions (million tonnes) ✓

GRI 305-2; 📄 Page 89

	market-based method					location-based method				
	2015	2016	2017	2018 ³	2019	2015	2016	2017	2018 ³	2019
Group¹	0.45	0.37	0.44	0.27	0.21	0.90	0.81	0.88	0.80	0.75
Post & Parcel Germany ²	0.08	0.03	0.09	0.05	0.05	0.26	0.19	0.27	0.19	0.18
Express	0.13	0.13	0.13	0.07	0.06	0.19	0.20	0.20	0.19	0.19
Global Forwarding, Freight	0.05	0.05	0.05	0.03	0.02	0.07	0.07	0.06	0.06	0.05
Supply Chain	0.15	0.15	0.15	0.08	0.05	0.32	0.31	0.31	0.28	0.25
eCommerce Solutions ²	-	-	-	0.02	0.01	-	-	-	0.05	0.04

1) Including Corporate Functions. 2) New organizational structure, effective Jan. 1, 2019. 3) Adjusted.

Scope 3 CO₂e emissions by GHG category (million tonnes) ✓

GRI 305-3; 📄 Page 89

GHG categories	Activities included	Calculation methodology	2014	2015	2016	2017	2018	2019
1 Purchased goods and services	Production	DEFRA reporting guidance	2.7	2.5	2.0	2.1	2.1	2.6
2 Capital goods	Production	DEFRA reporting guidance	0.6	0.7	0.8	0.7	1.3	1.7
3 Fuel- and energy-related activities	Extraction, production and transportation. Distribution losses from the generation of electricity, district heating and cooling	IPCC Guidelines, International Energy Agency, EN 16258 standard; DEFRA reporting guidance	1.1	1.3	1.3	1.4	1.4	1.4
4 Upstream transportation and distribution			27.8	25.2	25.1	27.1 ¹	27.6	27
of which – Transportation services	All	Data from operational and business intelligence systems, emission factors for air, ocean and road transport ³	22.9	20.9	20.8	22.4 ¹	22.8	22.3
– Fuel- and energy-related activities	We also report emissions from upstream fuel- and energy-related activities to fulfill the requirements of the EN 16258 standard, and offset the imbalance between our own and subcontracted transports.	As value chain partners usually do not disclose fuel types used, emissions were calculated assuming most common fuel types ⁴ and emission factors provided in the EN 16258 standard.	4.9	4.4	4.3	4.6	4.7	4.7
6 Business travel	Air travel ²	Emissions data from our approved travel agency extrapolated to reach full coverage of our business travel	0.05	0.1	0.1	0.1	0.1	0.1
7 Employee commuting	Includes emissions from employee commuting in vehicles not already included in scopes 1 and 2	Data calculated using global headcount data and national statistics	0.5	0.7	0.7	0.7	0.7	0.7
Non-applicable GHG categories 8, 10, 11, 15	Not applicable to our business model							
GHG categories currently not reported 5, 9, 12, 13, 14	Not reported, as emissions were only estimated and have limited management relevance.							

1) Adjusted. 2) Not included: Emissions from business travel via bus, train, and private/rental cars. 3) Air transport: NTM, ocean transport: Clean Cargo Working Group, road transport: Handbook Emission Factors for Road Transport. 4) Air transport: kerosene; road transport: diesel; ocean transport: HFO.

Local air pollutants Scope 1 (tonnes)¹

GRI 305-7; SASB TR-AF-120a.1; 📄 Page 93

	2013	2014	2015	2016	2017 ²	2018	2019
Total mono-nitrogen oxides (NO_x)	32,518	31,965	32,352	35,754	36,976	39,795	41,223
of which Road transport	18,178	17,625	15,971	15,634	15,739	16,844	16,450
Air transport	14,340	14,340	16,381	20,120	21,237	22,951	24,773
Total sulfur dioxide (SO₂)	1,825	1,771	1,930	1,711	1,771	1,943	1,984
of which Road transport	675	621	615	588	586	664	676
Air transport	1,150	1,150	1,315	1,123	1,185	1,278	1,308
Total particulate matter (PM₁₀)	1,195	1,129	1,157	1,043	1,053	1,148	1,157
of which Road transport	976	911	907	881	881	961	963
Air transport	219	218	250	162	171	186	194

1) 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 from the EMEP/EEA Air Pollutant Emission Inventory Guidebook (2013) as well those published by the US Environmental Protection Agency were applied.

Fleet – road transport

Page 94

	2014	2015	2016	2017	2018	2019
Total vehicles	n. r.	91,973	92,328	97,165	98,478	103,573
of which Vans	n. r.	63,650	63,771	67,222	69,809	74,548
Trucks	n. r.	11,171	11,227	12,096	10,990	11,330
Cars	n. r.	17,152	17,330	17,847	17,679	17,695
Vehicles by Euronorm class						
Total vehicles¹	n. r.	66,284	63,861	69,709	74,900	75,638,0
of which ZEV (zero emission vehicles)	n. r.	n. r.	n. r.	6,040	9,114	11,161
Euro 6	n. r.	4,592	8,701	12,613	17,321	19,671
Euro 5 + EEV ²	n. r.	43,640	39,542	36,768	35,173	33,688
Euro 4 ³	n. r.	18,052	15,618	14,288	13,292	11,118
Total vehicles with alternative drive systems	1,976	2,886	4,177	7,896	10,843	13,532
Electric drive	346	881	2,432	6,040	9,358	11,610
of which StreetScooters	n. r.	n. r.	n. r.	n. r.	9,048	10,802
Hybrid	325	372	474	572	554	809
Liquid biofuels	0	0	30	30	0	0
Natural gas (CNG and LNG) incl. Bio-CNG	767	864	701	401	206	680
Liquefied petroleum gas (LPG)	144	184	121	113	74	77
Bioethanol	221	419	269	606	472	315
Dual Fuel	173	166	150	134	179	71

n. r. = not reported. 1) Only covers vehicles within the scope of Euro emissions classifications. 2) Enhanced environmentally friendly vehicles. 3) Includes Euro 3 (587), 2 (10) and 1 (2) vehicles.

Water use¹ (million liters)

Page 96

	2012	2013	2014	2015	2016	2017	2018	2019
Group water consumption in Germany	1,102	1,363	1,097	1,054	1,438	1,119	1,096	1,161

1) Water consumption is not considered a material issue for our business model. We therefore only record consumption data at our German sites.

CORPORATE CITIZENSHIP

Local projects

Page 76, 78

	2015	2016	2017	2018	2019
Corporate Citizenship Index	-	-	-	77	79
Number of projects	2,016	2,490	2,988	3,345	3,107
Employees involved in projects	110,270	105,804	101,533	122,911	114,239
of whom Actively involved	78,270	75,692	73,374	73,037	75,029
Passively involved (donations)	32,000	30,112	28,159	49,874	39,210
Volunteer hours	258,423	365,076	397,639	374,315	228,759

FINANCIAL INFORMATION

Key figures

	2014	2015	2016	2017	2018 ¹	2019
Revenue (€m)	56,630	59,230	57,334	60,444	61,550	63,341
of which Post & Parcel Germany	15,686	16,131	17,078	18,161	18,476	15,484
Express	12,491	13,661	13,748	15,049	16,147	17,101
Global Forwarding, Freight	14,924	14,890	13,737	14,482	14,978	15,128
Supply Chain	14,737	15,791	13,957	14,152	13,350	13,436
eCommerce Solutions	-	-	-	-	3,834	4,045
Corporate Functions incl. consolidation	-1,208	-1,243	-1,186	-1,400	-1,867	-1,853
EBIT (€m)	2,965	2,411	3,491	3,741	3,162	4,128
of which Post & Parcel Germany	1,298	1,103	1,446	1,502	656	1,230
Express	1,260	1,391	1,544	1,736	1,957	2,039
Global Forwarding, Freight	293	-181	287	297	442	521
Supply Chain	465	449	572	555	520	912
eCommerce Solutions	-	-	-	-	-27	-51
Corporate Functions incl. consolidation	-351	-351	-358	-350	-523	-523
Staff costs (€m)	18,189	19,640	19,592	20,072	20,825	21,610
of which Post & Parcel Germany	n. r.	n. r.	8,044	8,304	9,027	8,032
Express	n. r.	n. r.	3,390	3,661	3,887	4,247
Global Forwarding, Freight	n. r.	n. r.	2,076	2,072	2,024	2,105
Supply Chain	n. r.	n. r.	5,180	5,121	4,911	5,411
eCommerce Solutions	-	-	-	-	683	733
Corporate Functions incl. consolidation	n. r.	n. r.	902	914	976	1,032
Further key HR figures						
Staff cost ratio ² (%)	32.1	33.2	34.2	33.2	33.8	34.1
Total cost of workforce ³ (€m)	n. r.	n. r.	n. r.	22,298	23,172	23,854
Staff costs per FTE (€)	41,300	43,700	43,200	42,800	42,500	43,267
Ratio of staff costs to total costs (%)	n. r.	n. r.	n. r.	34.9	34.1	35.0
Human Capital RoI ⁴	1.16	1.12	1.18	1.19	1.15	1.20
Revenue (€) per employee (annual average headcount)	n. r.	n. r.	115,022	117,747	115,182	116,375
EBIT (€) per employee (annual average headcount)	n. r.	n. r.	7,004	7,288	5,917	7,750
Further key financial figures						
Capital expenditure (CapEx) (€m)	1,876	2,024	2,074	2,277	2,648	3,617
Tax rate ⁵ (%)	15.5	16.4	11.2	14.3	14.0	20.1
Dividend distribution (€m) ⁶	1,030	1,027	1,270	1,409	1,419	1,546
Dividend yield (%)	3.1	3.3	3.4	2.9	4.8	3.7

n. r. = not reported. 1) Adjusted. 2) Staff costs/revenue. 3) Staff costs (note 14) + costs for temporary staff and services excluding subcontractors (note 13), consolidated financial statements. 4) 2019 Annual Report. 5) HCROI = (EBIT + staff costs) ÷ staff costs. 6) 2019 = Proposal. Resolution to be passed at the Annual General Meeting on May 13, 2020.

ASSURANCE REPORT

Independent Practitioner's Report on a Limited Assurance Engagement on Non-financial Reporting and Sustainability Information¹

To Deutsche Post AG, Bonn

We have performed a limited assurance engagement on the sustainability disclosures, denoted with “✓”, (hereinafter the “Sustainability Information”) and the combined separate non-financial report pursuant to §§ (Articles) 289b Abs. (paragraph) 3 and 315b Abs. 3 HGB (“Handelsgesetzbuch”: “German Commercial Code”) (hereinafter the “Non-financial Report”) contained therein and highlighted in color before the respective chapters in the “2019 Sustainability Report” of Deutsche Post AG, Bonn, (hereinafter the “Company”) for the period from January 1 to December 31, 2019 (hereinafter the “Report”). Our engagement in this context relates solely to the disclosures denoted with the symbol “✓”.

Responsibilities of the Executive Directors

The executive directors of the Company are responsible for the preparation of the Sustainability Information in accordance with the principles stated in the Sustainability Reporting Standards of the Global Reporting Initiative (hereinafter the “GRI Criteria”) and the Non-financial Report in accordance with §§ 315c in conjunction with 289c to 289e HGB, as well as the selection of the Sustainability Information to be evaluated.

This responsibility of Company's executive directors includes the selection and application of appropriate methods of sustainability reporting and non-financial reporting as well as making assumptions and estimates related to individual Sustainability Information and non-financial disclosures, which are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal control as they have considered necessary to enable the preparation of a Report that is free from material misstatement whether due to fraud or error.

Independence and Quality Control of the Audit Firm

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

Our 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 Standard on Quality Control 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality control for audit firms (IDW Qualitätssicherungsstandard 1: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis – IDW QS 1) – 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 a limited assurance conclusion on the Sustainability Information, denoted with “✓”, and the Non-financial Report contained within the Report based on the assurance engagement we have 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 Report.

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to allow us to conclude with limited assurance that nothing has come to our attention that causes us to believe that the Sustainability Information, denoted with “✓”, in the Company's Report for the period from January 1 to December 31, 2019 has not been prepared, in all material aspects, in accordance with the relevant GRI Criteria, or

- the Non-financial Report contained within the Company's Report for the period from January 1 to December 31, 2019 has not been prepared, in all material aspects, in accordance with §§ 315c in conjunction with 289c to 289e HGB.

In a limited assurance engagement, the assurance procedures are less extensive than for a reasonable assurance engagement, and therefore a substantially lower level of assurance is obtained. The assurance procedures selected depend on the practitioner's judgment.

Within the scope of our assurance engagement, we performed amongst others the following assurance procedures and further activities:

- Obtaining an understanding of the structure of the sustainability organization and of the stakeholder engagement
- Inquiries of personnel involved in the preparation of the Report regarding the preparation process, the internal control system relating to this process and selected disclosures in the Report
- Identification of the likely risks of material misstatement in the Report
- Analytical evaluation of selected disclosures in the Report
- Comparison of selected disclosures with corresponding data in the consolidated financial statements and in the group management report
- Evaluation of the presentation of the non-financial information

Assurance Conclusion

Based on the assurance procedures performed and assurance evidence obtained, nothing has come to our attention that causes us to believe that

- the Sustainability Information, denoted with “✓”, in the Company's Sustainability Report for the period from January 1 to December 31, 2019 has not been prepared, in all material aspects, in accordance with the relevant GRI Criteria, or
- the Non-financial Report contained within the Company's Report for the period from January 1 to December 31, 2019 has not been prepared, in all material aspects, in accordance with §§ 315c in conjunction with 289c to 289e HGB.

Intended Use of the Assurance Report

We issue this report on the basis of the engagement agreed with the Company. The assurance engagement has been performed for purposes of the Company and the report is solely intended to inform the Company about the results of the limited assurance engagement.

The report is not intended for any third parties to base any (financial) decision thereon. Our responsibility lies only with the Company. We do not assume any responsibility towards third parties.

Düsseldorf, February 14, 2020
PricewaterhouseCoopers GmbH,
Wirtschaftsprüfungsgesellschaft

Hendrik Fink
Wirtschaftsprüfer
(German public auditor)

ppa. Thomas Groth

¹) PricewaterhouseCoopers GmbH has performed a limited assurance engagement on the German version of the “Sustainability Report” and “Non-financial Report” and issued an independent practitioner's report in the German language, which is authoritative. The following text is a translation of the independent practitioner's report.

GLOSSARY

Artificial intelligence (AI)

An overarching term for applications in which machines demonstrate human-like intelligence.

Big Data

A term for large amounts of data which, due to their complexity, can only be stored and evaluated using special data processing methods.

Blockchain

A continuously expandable list of records known as blocks, which are linked using cryptography. In comparison to traditional systems, blockchain transactions are considered virtually tamper-proof.

ESG

Expresses the extent to which environmental, social and societal aspects as well as the type of corporate governance are taken into account in business practice; it is also considered in the valuation of companies.

EU GDPR

General Data Protection Regulation on the protection of natural persons with regard to the processing of personal data, and on the free movement of such data within the European Single Market.

Predictive Analytics

A special form of data analysis which involves predictions made on the basis of data models as to how a situation will develop in the future.

Smart contracts

Digital contracts based on blockchain technology

QR Codes



2019 Sustainability Report



2019 Sustainability Report, PDF download



2019 Sustainability Report, order form



2019 Annual Report



Corporate website

INDEX

A

Accident statistics	71
Aircraft	90
Alternative drive systems	88
Alternative fuels	37
Anti-corruption	43

B

Biodiversity	96
Bicycles	93

C

Certified initiative	67
Circular economy	95
City Hub concept	94
Climate-neutral products	95
Code of Conduct	41
Collective wage agreements	65
Competition law	47
Corporate citizenship	76
Cubicycle	94

D

Delivery GmbH	65
Deutsche Post DHL Forum	63
Digital transformation	36
Disaster Response Teams (DRTs)	80
Diversity	56
Divisions	24

E

Efficiency gains	89
Electric vehicles	94
Electricity from renewable energy sources	86
Emissions	85
Employee benefits program	73
Employee turnover	60
Energy consumption	88
Energy efficiency	87
Euro emissions classification	94
European Standard categories	94
External personnel	58

G

Generations Pact	66
Get Airports Ready for Disaster (GARD)	80
Gifts	43
Global Volunteer Day	79
GoGreen	84
GoHelp	80
GoTeach	82
Greenhouse gas emissions	85
GRI Standards	08

H

Health insurance	73
Health management	70
Human rights policy	61

I

Inclusion	58
Innovation Center	29
Insetting	88

L

Lifelong learning	68
LGBTQ+	59
Local air pollutants	93

M

Material issues	28
Mission 2050	85

O

OECD	41
Offsetting	95

P

Paper Policy	96
Part-time employment	58
People with disabilities	58

R

Rating agencies	31
Recycling	95

S

Sickness rate	73
SOS Children's Villages	82
StreetScooter	93
Supplier Code of Conduct	41
Supplier evaluation	51
Sustainable Development Goals (SDGs)	26
Sustainability Accounting Standards Board (SASB)	21

T

Teach For All	82
Temporary external staff with internal reporting lines	58
Trainees	60
Training	60
Training and development	67
Transparency register	43
Tree planting	95

U

UN Global Compact	41
-------------------	----

V

Vehicles	91
----------	----

W

Water consumption	96
Whistleblower hotline	42
Women in management positions	59
Work-life balance	74
Workplace accidents	55

Publication

The 2019 Sustainability Report was published March 10, 2020 in PDF format in both German and English. A print version can be ordered from the Group website:

www.dpdhl.com/2019sustainabilityreport

Deutsche Post DHL Group employees can order the print version of the report internally (via GeT or the DHL Webshop) using the following material numbers:

German: Mat. no. 675-800-235

English: Mat. no. 675-800-236

Contact information

Tel.: +49 (0)228 182 - 99 44

Fax: +49 (0)228 182 - 98 80

E-mail: sustainability@dpdhl.com

Design and copy editing

CC.CONSTRUCT GMBH & CO. KG, Wuppertal, Germany

Production

Woeste Druck + Verlag GmbH & Co. KG, Essen, Germany

The English version of the Deutsche Post DHL Group 2019 Sustainability Report constitutes a translation of the original German version. Only the German version is legally binding, insofar as this does not conflict with legal provisions in other countries. Deutsche Post Corporate Language Services et al.

Environmentally friendly production

Printed on Envirotop with Ecolabel 244053 (recycled paper made of 100% recycled paper, FSC certified, climate neutrally produced). Complies with the guidelines of EU Ecolabel AT/11/002.



Climate neutral printing with
Deutsche Post DHL Group

DATES

**May 13
2020**

Annual General Meeting

**March 9
2021**

2020 Sustainability Report

2020 Annual Report

**May 6
2021**

Annual General Meeting



Deutsche Post AG
Group Communications, Sustainability & Brand
Headquarters
53250 Bonn
Germany
[dpdhl.com](https://www.dpdhl.com)