



DR FRANK APPEL
Chief Executive Officer

“Ten reasons why I’m proud of Deutsche Post DHL Group.”

DR FRANK APPEL

1 WE CAN LOOK BACK PROUDLY OVER A RICH HISTORY. The first postal services in Germany were introduced 525 years ago. With DHL Express we created the international express business nearly 50 years ago. Around 200 years ago Danzas – which became DHL Global Forwarding, Freight – laid the cornerstone of the modern freight forwarding business. Moreover, our DHL Supply Chain division has redefined logistics and developed innovative approaches for supply chains time and again. This history not only demonstrates that we have tradition of which we can be proud, but also that we rise to new challenges – often assuming the role of the initiator of change ourselves.

2 WE HAVE THE COURAGE TO DO THE RIGHT THING AT THE RIGHT TIME. Change demands strength and can sometimes also be painful. I remember our retraction from the US domestic express business in 2009 only too well. Today, we continue to face many challenges. For years, our Mail business has been experiencing a structural shift towards digital communication. Falling mail volumes and rising costs require new solutions. Our Supply Chain business is being reorganised to take better advantage of our size. In our Global Forwarding business unit, we are in the midst of a fundamental transformation. With our strategic project, New Forwarding Environment, we are redefining how we work – and are, once again, more than ready to do what has to be done to secure our competitiveness and profitability for the long term.

3 WE HAVE A SOUND CORPORATE STRATEGY. The title of this annual report is intrinsic to our strategy: when people think logistics, we want them to think Deutsche Post DHL Group. It’s an ambitious goal. Our “Strategy 2020: Focus.Connect.Grow.” underscores our goal of becoming the company that defines the logistics industry. In recent years we have made enormous strides as we work towards becoming the provider of choice for customers, the employer of choice for our staff and an attractive investment for shareholders. We aim to build on these successes and continue to grow. Increasing digitalisation, booming e-commerce and momentum in the emerging countries number amongst the most important drivers of our business.

4 WE HAVE UNPARALLELED CAPABILITIES. We are the number one provider of mail and parcel services in Germany and among the top providers for leading air and ocean freight logistics. DHL Express is the world's most international business, while our Supply Chain business is the largest provider of third-party logistics solutions globally. We are who we are as a result of our dedication and commitment.

5 WE HAVE A GREAT CUSTOMER VALUE PROPOSITION. We invest in our network and expand it where transport volumes are increasing. Our aim is to be internationally renowned not only as a highly customer-centric company but also as leaders in quality. The fact that customer satisfaction with our products and services is continuously rising in all divisions shows that we are achieving this goal. Our mail transit times and parcel business are amongst the best in Europe. Furthermore, the Net Promoter Approach allows DHL customers to rate our services immediately, which, in turn, makes it possible for us to continuously turn feedback into improvements.

6 WE HAVE PIONEERING IDEAS. Another strength of Deutsche Post DHL Group is our tremendous willingness to innovate. In the Post - eCommerce - Parcel division, this is evident in our E-POST products, parcel recipient services, our own online shopping portal and the parcelcopter. In the Express division, we have developed the Certified International Specialist training programme for our employees – and will now launch the initiative throughout the Group. In the Global Forwarding, Freight division, we expanded our portfolio of multimodal and temperature-controlled transport, whilst in the Supply Chain division, our focus remains on developing innovative services for key sectors such as Life Sciences & Healthcare. Our innovations are more than just new ideas. To us, innovation is also about being willing to change things and continuously improve the way we work.

7 WE ARE CONSTANTLY IMPROVING. For years now, establishing the First Choice methodology of continuous improvement within our organisation has been part of corporate strategy. Beyond its tools and methodologies, the First Choice Way epitomises our ambitious goal of striving for improvement every day.

8 WE DELIVER GOOD RESULTS. Deutsche Post DHL Group reached the targets it had set for financial year 2014. Although the global economy only registered cautious growth overall, the Group's revenue, EBIT and operating cash flow all increased. The German parcel business and the international express business continued to generate dynamic growth. Earnings in the Supply Chain division likewise benefited from a high level of new business and continuing restructuring

programmes, whereas margin pressure and transformation costs had a noticeable impact on the Global Forwarding, Freight division. Overall, we achieved positive results and our shareholders should benefit from this. At the Annual General Meeting we shall propose a dividend of €0.85 per share for 2014. Forecasts for 2015 indicate that the global economy will continue to experience regional variations and only demonstrate moderate growth on the whole. We expect consolidated EBIT to reach €3.05 billion to €3.20 billion in financial year 2015. The Post - eCommerce - Parcel division is likely to contribute at least €1.3 billion to this figure. Compared with the previous year, we expect an additional improvement in overall earnings to €2.1 billion to €2.25 billion in the DHL divisions. The Corporate Center/Other result is projected to remain at around €-0.35 billion. The earnings forecast that we presented for 2016 remains unchanged.

“We reached the targets we set for 2014.”

9 WE HAVE COMMITTED PEOPLE. More than 480,000 people work for Deutsche Post DHL Group around the world. That makes us one of the largest employers and trainers – a responsibility of which I am more than conscious. For this reason, I am all the more pleased that it’s not only our customers who are increasingly satisfied with our performance, it’s also our employees. We systematically survey our employees across the entire Group on an annual basis. During the past six years, favourable answers to the key performance indicator, Employee Engagement, has risen from 61% to 72%. Our employees are not only committed to their workplace, but to their communities as well. The high number of participants in our annual Global Volunteer Day demonstrates their deep commitment to voluntary work. It is also wonderful to see our employees donate to help their colleagues in need.

10 WE SERVE A GREATER PURPOSE. Everything we do brings people closer together – through mail and parcel deliveries, express shipments, goods transported by road, rail, air and ocean, and the warehouses we operate. We connect people, and in doing so, improve their lives. This is our commitment – no more and no less. Indeed, it’s one of the many reasons why I’m proud of Deutsche Post DHL Group.