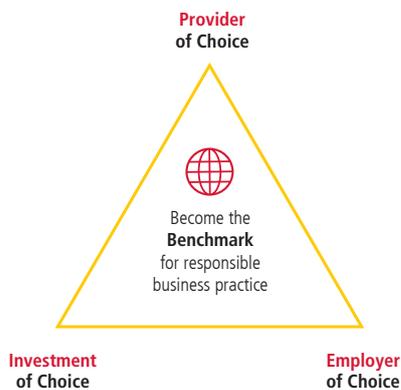


## Strategy G4 18-21, 24-27

✓ Our mission is to connect people and improve lives. With our portfolio of products and services – and near global presence – we make it possible for individuals and companies to participate in global trade, and contribute to economic development and prosperity around the world. We are committed to abiding by global standards for legal and ethical business practices, maximizing the value we bring to local communities, assuming responsibility for our employees, and minimizing the environmental impact of our business as much as possible. This is our way of promoting the company's long-term growth and securing jobs worldwide.

### Corporate strategy goals ✓



Sustainability and corporate responsibility are integral components of our corporate strategy – Strategy 2020: Focus. Connect.Grow. Our aspiration, in line with Strategy 2020, is to meet not only our operational requirements but also the requirements of Deutsche Post DHL Group stakeholders, as well as the needs of society and the environment. Our corporate strategy goals are to become Provider, Employer and Investment of Choice – and a benchmark company for responsible business. More and more of today's customers consider a company's full social impact when selecting a service provider. At the same time, today's employees increasingly judge the attractiveness of their employer by the company's ethical principles and commitment to social and environmental issues. Investors, too, increasingly base their investment decisions on corporate responsibility (CR) criteria. This establishes the direct link between our business and CR objectives. ✓

### Corporate strategy and the UN sustainability goals ✓



As a longstanding partner to the United Nations, we aim to support the realization of the UN's Sustainable Development Goals (SDGs). The following SDGs are most closely

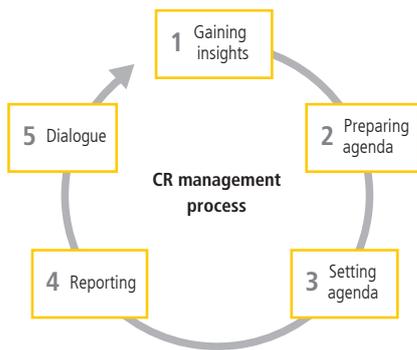
aligned with our CR activities:

- **SDG 4 “Quality Education”:** We offer our employees extensive training and development opportunities, encouraging life-long learning and personal/professional development. We collaborate with our partner organizations to improve educational opportunity and employability for young people.  
→ Employees, page 50; Society, page 60
- **SDG 8 “Decent Work and Economic Growth”:** We connect people and help improve their lives by facilitating global trade, supporting economic growth and creating jobs around the world.  
→ Employees, page 38
- **SDG 11 “Sustainable Cities and Communities”:** We provide a growing population with sustainable logistics solutions and improve air quality in urban areas with clean pick-up and delivery solutions. Our activities in the area of natural disaster management, disaster relief and refugee aid help promote sustainable communities.  
→ Environment, page 73; Society, page 59
- **SDG 13 “Climate Action”:** With our ambitious climate target and Green Solutions, we are helping the world community reach the goals established at the UN Paris Climate Conference (COP 21).  
→ Environment, page 67
- **SDG 17 “Partnerships for the Goals”:** Partnerships with or memberships in national and international organizations are of considerable strategic importance for us and our work. As an example, we take advantage of our membership of the World Economic Forum to help shape debate and action on sustainability. We have cooperated with United Nations organizations for many years as part of our Group programs for education and natural disaster management.  
→ Annex, page 82

**Continuously reviewing our strategic direction** ✓

With the goal of continuously improving our performance in the area of corporate responsibility, we systematically include stakeholder expectations with regard to social and environmental issues; this is ensured through a multi-stage management process.

**Corporate responsibility management process** ✓



These insights are based on dialogue with our stakeholders, as well as detailed stakeholder surveys. We also rely on insights gained through our strategic issues management process that involves intelligent, real-time monitoring of more than 20,000 online media and social media sources.

In addition, we conduct a materiality analysis every two years to systematically identify material issues and define specific actions, goals and KPIs.

The relevance of focus issues identified by the materiality analysis is reviewed on an ongoing basis. We provide our internal committees with regular progress reports and use the annual Corporate Responsibility Report to regularly update our external stakeholders. We facilitate discussion of CR issues with our various stakeholder dialogue formats. The insights gained from this continuous process are fed back into the management cycle on an ongoing basis.

**Material issues confirmed** ✓

In the reporting year, we conducted qualitative interviews to review the currentness and completeness of the material issues identified two years earlier, further improving our understanding of stakeholder expectations with regard to material issues. The interviews largely confirmed the focus issues identified by the 2015 materiality analysis. “Respect for Human Rights” emerged as a new focus issue, while “Noise” became a lower-priority issue as compared to 2015. In their feedback representatives from the various stakeholder groups emphasized more clearly the specific areas in which the company could exert a more direct influence.

→ Annex, page 81

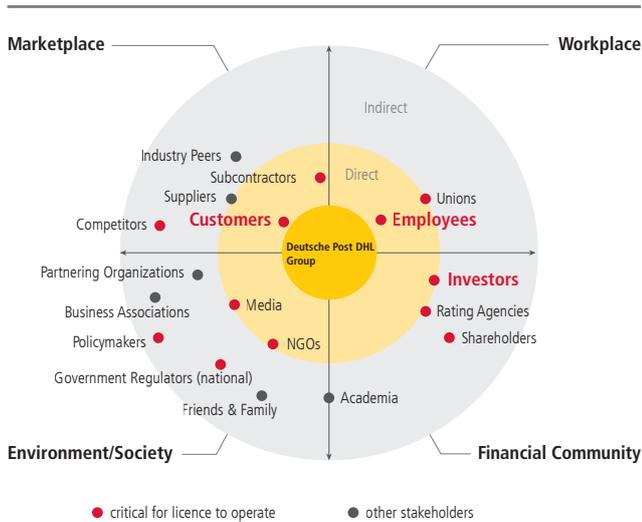


Key performance indicators (KPIs) and target objectives were defined for each of the material issues. These KPIs are also used to track progress in implementing our corporate strategy in the area of corporate responsibility. We do not report on this data in full because these figures contain sensitive information pertaining to our business. The progress made with regard to the individual topics is reported in the respective chapter of this report.

## DIALOGUE WITH STAKEHOLDERS

We consider regular, open and constructive dialogue with our stakeholders – especially customers, employees and investors – to be of strategic importance for the Group and an integral part of our management process. This ongoing dialogue is also an important facilitator of collaboration, helping us to work together with stakeholders to address future social and business challenges.

### Deutsche Post DHL Group stakeholders



We use targeted dialogue formats:

- **Customers:** Customer satisfaction surveys, market research, customer conferences, workshops on innovation-related topics in our Innovation Centers in Troisdorf and Singapore, social media channels and the Logistics Newsroom. Our international customer magazine “Delivered.” is published five times a year, providing comprehensive information and expert opinions on logistics solutions as well as industry and sector trends
- **Employees:** Surveys such as our annual Employee Opinion Survey, the Employee Trend Monitor and various internal media, online media and social media channels
- **Investors:** Annual events such as the Annual General Meeting and press conferences to disclose the annual and quarterly results, investor road shows and investor conferences, as well as tutorial workshops

Priority is given here to involvement in national and international forums, which allow us to actively participate in shaping the dialogue on overarching issues. During the reporting year, technical advancement in the logistics sector was the focus of particularly intense discussion at the following events:

- **World Economic Forum in Davos (January 2017):** We engaged in discussion with decision-makers and leading logistics industry experts examining potential strategies for new solutions within the sector. As in regional summits in Africa, India, the Middle East and North Africa, the main topics in Davos were the fourth industrial revolution, inclusive growth and responsible leadership in a radically changing world.
- **Capital Markets Day (May 2017):** Strategy 2020 stock-take and in-depth discussions with investors.
- **Smart City Forum in Bad Hersfeld, Germany (June 2017):** Thanks to these discussions on economic and social developments, our PostBOT delivery robot will be piloted in a real-life environment for the first time and ahead of schedule.
- **Trends in robotics (November 2017):** Conference and discussions with investors concerning innovative solutions in our supply chain.

Dialogue formats are standardized across the Group in accordance with our Stakeholder Engagement Guideline (SE Guideline), which is based on the international AA1000 Stakeholder Engagement Standard (AA1000 SES). We provide our employees with internal dialogue platforms and offer training options to further improve their knowledge of the SE Guideline and their overall stakeholder orientation.

**EXTERNAL RECOGNITION**

Our performance in the area of corporate responsibility is evaluated independently against economic, ecological, social and ethical standards by rating agencies and other institutions according to their own autonomous principles. We also utilize customer platforms to have our performance as a service provider evaluated externally.

In the reporting year, Deutsche Post DHL Group once again received numerous distinctions from customers, environmental and social organizations, and other institutions. These awards reflect the broad recognition our corporate responsibility activities have received around the world.

More and more investment decisions are based on non-financial KPIs and the rankings of CR rating agencies. More than 40% of our share capital is already held by signatories of the UN Principles for Responsible Investment (UN PRI). In doing so, these investors have committed, amongst other things, to supporting greater transparency in non-financial reporting in the companies in which they invest. Customers also increasingly view a company’s rating or listing on an ESG (Environmental, Social, Governance) index as a factor when deciding to purchase services, award contracts, etc.

For our company, rating agency or ESG index rankings are primarily of strategic significance, and used as a benchmark comparison when reviewing the direction of our CR activities. Rating agencies are also among the stakeholder groups surveyed as part of our materiality analysis.

**Ratings and index listings confirmed**

Our strong ratings were confirmed by a variety of ratings agencies and the ESG performance platforms once again in the reporting year. Furthermore, 2017 saw the Group included in two indices which exclusively rate measures relevant to diversity and inclusion, as well as employee development and employee offers for the first time. Deutsche Post DHL Group was included in the Thomson Reuters IX Global Diversity & Inclusion Index and the Bloomberg Gender Equality Index (BBGEI). The Thomson Reuters Index comprises 100 listed companies selected from 6,000 companies, and Bloomberg compiled its sector-neutral BBGEI comprising 104 companies for the first time during the reporting year.

Major achievements in the reporting year included our relisting in both the DJSI World and DJSI Europe CR indices, and in the FTSE4Good Index. For the fourth consecutive year, MSCI awarded Deutsche Post DHL Group its maximum “AAA” rating. As in previous years, Deutsche Post DHL Group is the only logistics company to receive this top rating. Oekom Research also confirmed the Group’s Prime status. Our environmental protection measures and performance received a rating of “A-” from the CDP, making Deutsche Post DHL Group a sector leader in the DACH (Germany, Austria and Switzerland) region.

We were also able to maintain our good ratings as a service provider, with a score of 93% from the Responsible Business Alliance (putting us in the “low risk” category) and confirmation of our “Gold” standard rating by EcoVadis, which puts us in the top 1% of all companies assessed.

**Key rating agencies and indices**

