Environment

Reposition climate protection

Our business activities impact the climate and the environment mainly in the form of greenhouse gases (GHG). We have reviewed and largely endorsed the climate action and environmental protection measures we have taken to date as part of our ESG Roadmap. A major element is a new medium-term climate protection target striving for an absolute reduction in GHG emissions by 2030.

We have therefore now switched the focus of our reporting to the development of absolute GHG emissions. Starting with this reporting year, we report GHG emissions according to the well-to-wheel approach; that is, our calculation includes the entire process chain for generating and supplying energy for transport as an additional Scope 3 category. Beginning in the coming financial year, we will replace CEX as a management-relevant KPI with Realised Decarbonisation Effects. We determine these effects using the GHG emissions avoided by decarbonisation measures.

We want to reduce our GHG emissions to net zero by 2050. That means we will use active reduction measures to reduce our GHG emissions (Scopes 1, 2 and 3) down to an unavoidable minimum, which is to be fully compensated for with recognised countermeasures (excluding offsetting).

We have set new, ambitious targets to be achieved by 2030 that continue to include the transport services provided by our subcontractors (Scope 3). Particularly important for achieving these goals by 2030 is a bundle of measures up to €7 billion to increase the use of sustainable technologies and fuels in our fleets and buildings to be rounded out by a range of environmentally friendly products. This approach allows us to uphold our responsibility to the climate and the environment, while strengthening our own market position.

Together with our subcontractors, we also work as part of initiatives to reduce fuel consumption and lower GHG emissions. This also enables us to procure the consumption and emissions data necessary for subcontractor management, which is why we take part in industry-wide initiatives and collaborate closely with customers, suppliers and industry partners.

GHG emissions above prior-year level

Due to the positive development of business in all divisions in the year under review and the significant increase in transport volumes associated with it, absolute GHG emissions rose as expected to 39.36 million tonnes of CO_2e, thus coming in 17.0% higher than the prior-year figure of 33.64 million tonnes of CO_2e. Realised Decarbonisation Effects already amounted to 728 kilotonnes of CO_2e. Moreover, a further 172 kilotonnes of CO_2e were avoided through the statutory blending of biofuels.

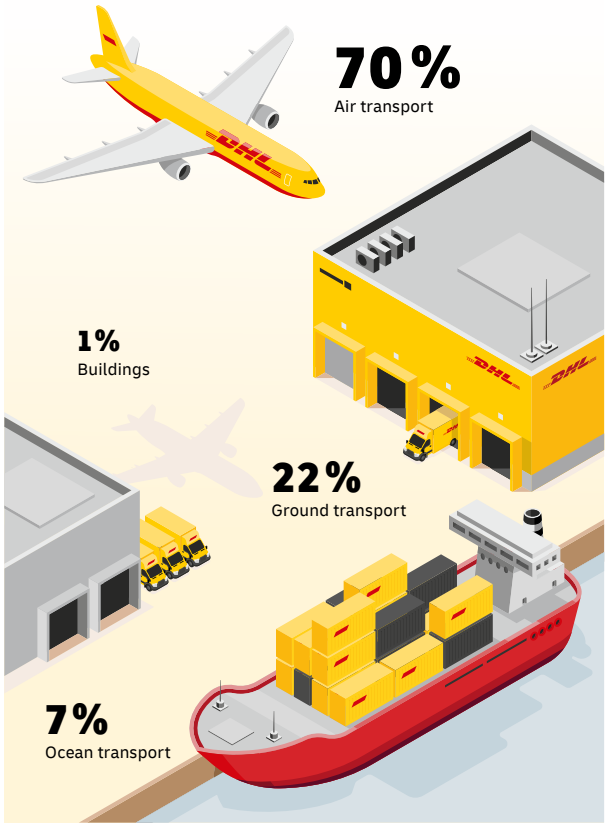
GHG emissions (well-to-wheel)

Million tonnes CO_2e

	2020	2021	+/–%
GHG emissions, total	33.64	39.36	17.0
of which Scope 1	6.59	7.30	10.8
Scope 2	0.19	0.20	5.3
Scope 3	26.86	31.86	18.6

GHG emissions by mode of transportation

Total: 39.36 million tonnes CO_2e[1]



[1] Scopes 1 to 3.

For 2022 we expect a budgeted figure of around 41 million tonnes of CO_2e, primarily because the limited availability and low percentage of sustainable fuels used in blends will

not yet significantly reduce GHG emissions in air and ocean freight. This jump in emissions at the start of our mid-term horizon to 2030 – prior to a reduction in the second half of the decade – is included in our planning. Nonetheless, we are optimistic that, through our measures, we will realise decarbonisation effects totalling 969 kilotonnes of CO_2e in 2022, thereby significantly cushioning the increase in emissions from 2021 to 2022. We also hereby reiterate our medium-term target of lowering GHG emissions to below 29 million tonnes of CO_2e by 2030.

GHG efficiency drops

We measure our GHG efficiency using the CEX, which dropped by one index point to 36 in the year under review. In spite of improved efficiency in nearly all areas, the total value worsened due to the disproportionate growth in air freight, where the decreased passenger load of the remaining passenger aircraft had a negative influence on the efficiency. Because air freight is often transported in the cargo holds of passenger aircraft, the lower utilisation of this transport option on account of the pandemic results in the noticeable decrease in GHG efficiency in goods transport.

Using sustainable technologies and fuels

A cornerstone of our ESG Roadmap is a bundle of measures of up to €7 billion for sustainable technologies and fuels to be implemented by 2030. Our focus here is mainly on the modes of transportation using the most fuel and generating the most emissions, namely air freight and road transport, and further increasing the electrification of our fleet of pick-up and delivery vehicles. Moreover, we aim to further decarbonise purchased ocean freight capacity. We will also invest in technologies to design our own new buildings to be climate neutral.

Examples from the divisions:

During the year under review, Express concluded delivery contracts for sustainable aircraft fuels to the airports in San Francisco, East Midlands and Schiphol, with more locations to come.

The Global Forwarding, Freight division continually strives to identify and offer the most environmentally friendly transportation solutions or to shift deliveries to more efficient transport modes. With our established Green Carrier Certification, we create transparency regarding the sustainability of our subcontractors. In the year under review, we were one of the first companies in our industry to offer air and ocean freight solutions that make use of sustainable fuels.

Supply Chain offers our customers state-of-the-art solutions which drive the decarbonisation of their supply chains, for instance through carbon-neutral warehousing, reduced-carbon transport solutions and sustainable packaging solutions.

Post & Parcel Germany is focusing, amongst other things, on shifting parcel volumes to rail transport and expanding e-vehicles in pick-up and delivery. In addition, the use of sustainable fuels in road transport and the building of sustainable real estate is being promoted – with this also being pursued by eCommerce Solutions.

In the year under review, decarbonisation measures totalling €156 million were carried out, and Realised Decarbonisation Effects amounted to 728 kilotonnes of CO_2e. At 86%, the share of electricity from renewable sources used at our sites remained at the same high level as the previous year. In addition to our reduction measures, we offer our customers offsetting products to compensate for GHG emissions; in accordance with the GHG Protocol and for the presentation of the Realised Decarbonisation Effects, this offsetting is not taken into account for the calculation of our GHG footprint.

Decarbonisation measures

Measures	Results for 2021	Targets for 2030
Use sustainable fuels and technologies	€156 million used	Use up to €7 billion for decarbonisation
Use sustainable fuels in air, ocean and road freight	€28 million used for the purchase of sustainable fuels in addition to the legally required blending Share of sustainable fuels amounts to 1.3%	Share of sustainable fuels in air, ocean and road freight tops 30%
Increase electrification of the fleets	€115 million used Some 20,700 e-vehicles used in pick-ups and deliveries	60% e-vehicles used in pick-ups and deliveries
Climate-neutral building design	€13 million used for climate-neutral technologies	All our own new buildings are climate neutral

ESG Roadmap 2030 aims and objectives

Clean operations for climate protection

Focus
Reducing logistics-related GHG emissions

Measures

- Use of sustainable technologies and fuels
- Road fleet electrification[1]
- Climate-neutral design of new buildings[2]
- Green product portfolio

KPI
Realized Decarbonization Effects[3]

Great company to work for all

Focus

- Employee engagement
- Diversity and inclusion
- Occupational safety and health

Measures

- Attract and retain the best talent
- Actively promote equal opportunities
- Healthy and safe work environment

KPIs

- Employee Engagement
- Share of women in executive positions
- Lost time injury frequency rate (LTIFR) per 200,000 hours worked

Highly trusted company

Focus

- Compliance: Rendering our services in compliance with current legislation and in accordance with our own values
- Cybersecurity
- Respect for human rights

Measures

- Compliance-relevant trainings
- Cybersecurity skills
- Sustainable supplier relations

KPIs

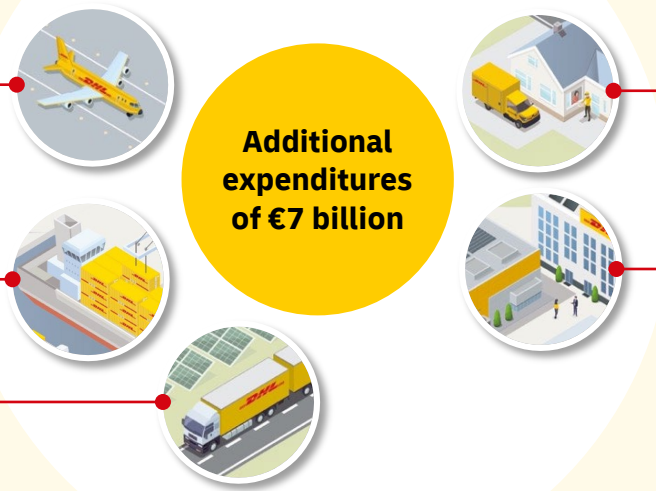
- Share of valid training certificates
- Cybersecurity: Under development
- Audits relating to human rights

[1] In pick-up and delivery. [2] Owned buildings. [3] Management-relevant.

Our goals on the path to climate-neutral logistics by 2050

By 2050, reduce logistics-related GHG emissions[1] to net zero[2] (Scopes 1 to 3, excluding offsetting).
By 2030, additional expenditures of up to €7 billion earmarked for sustainable technologies and fuels.

>30% share of sustainable fuels in air/ocean freight and road transport



60% e-vehicles in pick-up and delivery

All new **buildings** are **climate neutral**[3]

Joint effort and engagement: Working together with customers, transportation partners and industry partners on initiatives to reduce fuel consumption and GHG emissions; procuring data needed for targeted subcontractor management.

[1] Basis for GHG emissions calculation (well-to-wheel): Greenhouse Gas Protocol, DIN EN 16258 and Global Logistics Emissions Council Framework. [2] Reduction to unavoidable minimum, which is to be fully compensated by recognized countermeasures (without offsetting). [3] New owned buildings.

2021 Annual Report

Our path to climate-neutral logistics: reducing logistics-related GHG emissions by 2030

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

We aim to significantly reduce our carbon footprint by 2030 with the help of sustainable technologies and fuels.

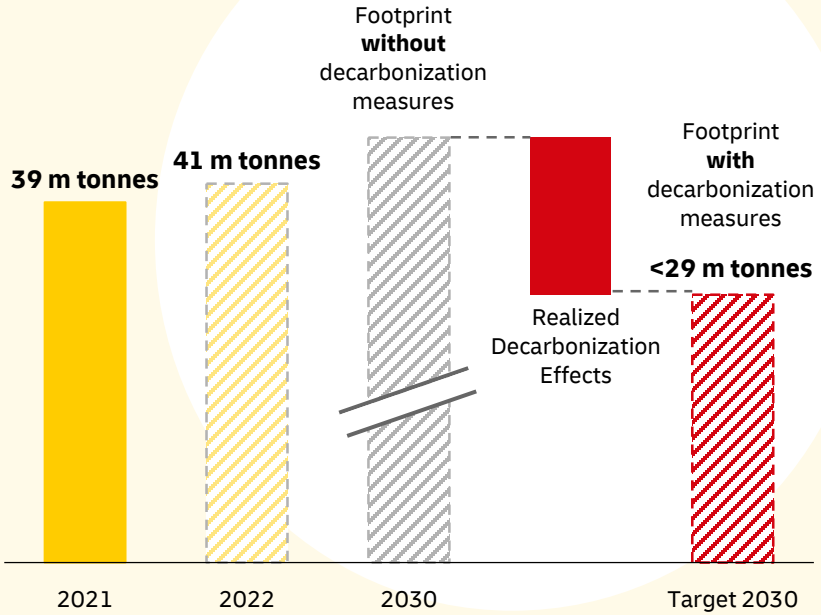
Results 2021

- **728 kilotonnes CO_2e**
  Realized Decarbonization Effects
- Further reduction of **172 kilotonnes CO_2e**
  by means of mandatory biofuel blends

Planning 2022

- Increase to 41 million tonnes CO_2e expected
- Realized Decarbonization Effects
  of 969 kilotonnes CO_2e

Trends in GHG emissions (million tonnes CO_2e)



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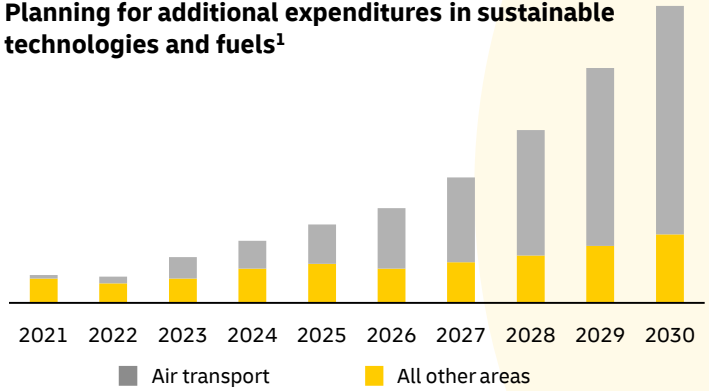
Planning for additional expenditures of up to €7 billion

Our focus is on emission and consumption-intensive modes of transportation and expanding our e-vehicle fleet in pick-up and delivery. We also aim to further decarbonize purchased capacity for ocean freight. In addition, we aim to make the design of all new Group-owned buildings climate neutral.

Planning for additional expenditures in sustainable technologies and fuels[1]



Additional expenditures in 2021

- **€28 million** used for the purchase of sustainable fuels[1]; share of sustainable fuels 1.3%
- **€115 million** used for electrification of the fleet; approx. 20,700 e-vehicles currently deployed
- **€13 million** used for climate-neutral building technology

Additional expenditures of €156m in 2021

[1] Without mandatory blending.

2021 Annual Report

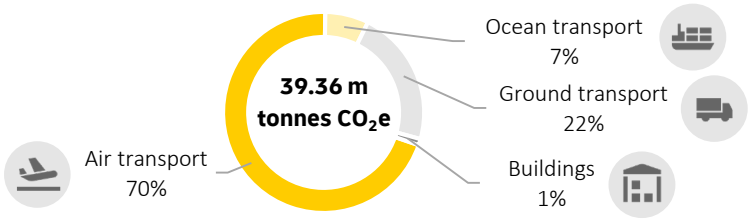
Trends in logistics-related GHG emissions: Our carbon footprint 2021

Reporting switched to well-to-wheel:
Measurement along the entire process chain (including energy supply)

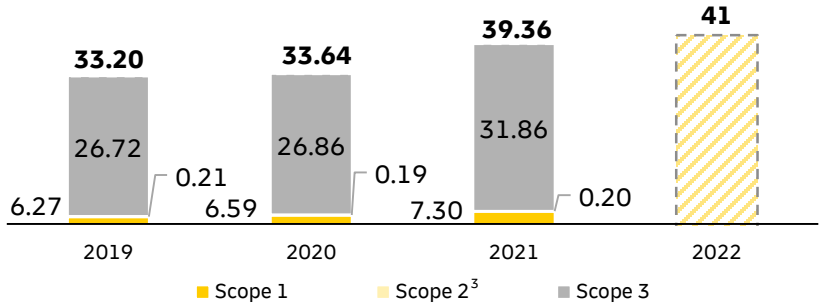
GHG emissions increased to 39 million tonnes CO_2e in 2021

- Scope 3 emissions and air freight are the biggest drivers
- Increase mainly due to business growth and COVID-19 effects[2]
- GHG efficiency dropped to 36 index points

GHG emissions by mode of transportation in 2021



Trends in GHG emissions (million tonnes CO2e)



[1] Basis for GHG emissions calculation: Greenhouse Gas Protocol, DIN EN 16258, Global Logistics Emissions Council.
[2] Incl. lower number of scheduled flights and increased emissions for cargo transported therein due to lower utilization of passenger cabins. [3] Market-based method.

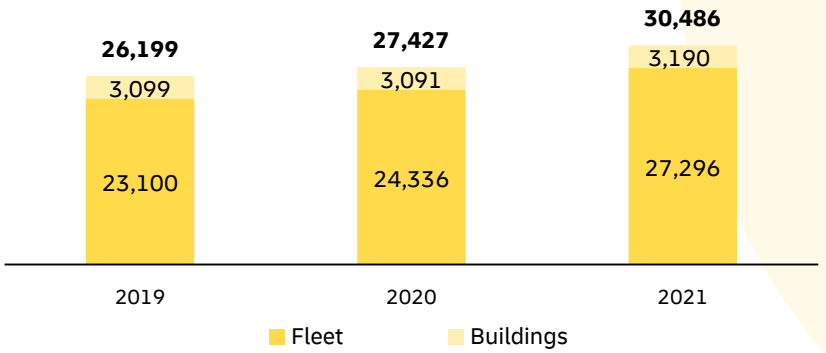
ESG Statbook

Energy consumption 2021 – owned fleets and buildings (Scopes 1 and 2)

Total energy consumption rose to 30,486 million kWh.

- Air transport consumption increased by 5.4%
- Road transportation consumption decreased by 8.0%
- Share of electricity from renewable sources continuously high

Trends in energy use (million kWh)



2021

325 million kWh of sustainable fuel used by the fleet

2021

86% electricity from renewable sources

ESG Statbook

Environmental management, alternative drive systems, electricity from renewable sources in 2021

AMERICAS

1,100 vehicles with alternative drive systems

96% electricity from renewable energy sources

EUROPE

24,200 vehicles with alternative drive systems

94% electricity from renewable energy sources

MIDDLE EAST/AFRICA

45% electricity from renewable energy sources

ISO-CERTIFIED SITES

58% of the 12,600 sites are ISO certified

- 5,900 according to ISO 14001
- 6,400 according to ISO 50001
- 5,000 according to both

ASIA PACIFIC

800 vehicles with alternative drive systems

61% electricity from renewable energy sources

ESG Statbook

OUR MEASURES

Measures for sustainable air freight by 2030

Sustainable fuels (SAF)
- Blending ratio of >30% SAF by 2030 (Scopes 1 and 3)
- Strategic partnerships with SAF producers and freight carriers

Fleet modernization
Ongoing replacement of aircraft and deployment of e-planes

Increasing efficiency
- Improve weight load
- Optimize network structure and design
- Select more sustainable air freight partners

Driving innovation
- Drive development of e-planes
- Promote power-to-liquid SAF plants

Reduce GHG emissions in ground handling
Greater use of electrification and hydrogen technology at our major hubs

Sustainable product alternatives
- Express: Low-emission TDI solutions[1]
- Global Forwarding: Air freight solutions with sustainable fuels (additional service fee for customers)

[1] TDI: Time Definite International.

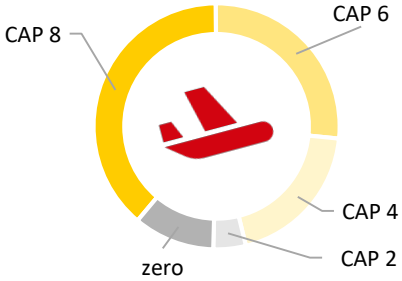
Modern air fleet 2021

Our air fleet comprises >320 dedicated cargo aircraft.

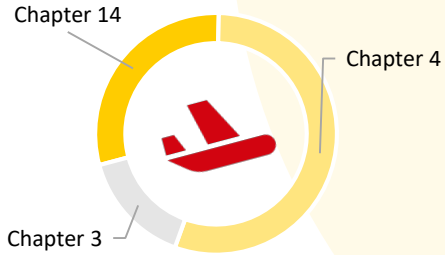
We are continuously modernizing the aircraft we own.

- 22 Boeing 777 freighters[1] ordered: 14 in operation
- 12 Alice e-planes ordered; delivery starting 2024

Aircraft[2] by NO_x emission standards



Aircraft[2] by noise regulation standards



[1] Efficiency gains of 18% compared with predecessor models plus lower fuel consumption. [2] Excluding feeder aircraft.

ESG Statbook

More and more airports now offering SAF: Express refuels at four airports

Measures for sustainable ocean freight by 2030

Sustainable Maritime Fuel blending

- The fuel product offering for both FCL[1] and LCL[1] transports (GoGreen Plus) drives the development and use of Sustainable Maritime Fuel (SMF)
- DPDHL Group is the first logistics service provider to offer climate-neutral LCL ocean freight transport products – at no additional cost to customers

Network optimization

Helps drive down GHG emissions

Strategic partnerships

- Encourage technological and process-based innovation
- Strengthen collaboration with SMF producers and carriers

[1] Full container load (FCL), Less than container load (LCL).

GoGreen Plus

Measures for sustainable road freight by 2030

Environmentally-friendly delivery routes
Electrify 60% of last-mile delivery vehicles by 2030

Sustainable fuels
Increase share of sustainable fuels to >30%

Network optimization
Continuous network optimization for reduced fuel consumption

Driver training
Programs to raise employee awareness for eco-friendly driving

Green product portfolio
Insetting offers

Drive innovation
- Drive development of hydrogen and electric trucks
- Increase market availability

Transport partner activation
- Foster subcontractors' green transport activities
- Define standards, offer training
- Incentivize investment in green transport solutions
- Transition from road to rail transport

Roadfreight Europe

Modern road fleet 2021

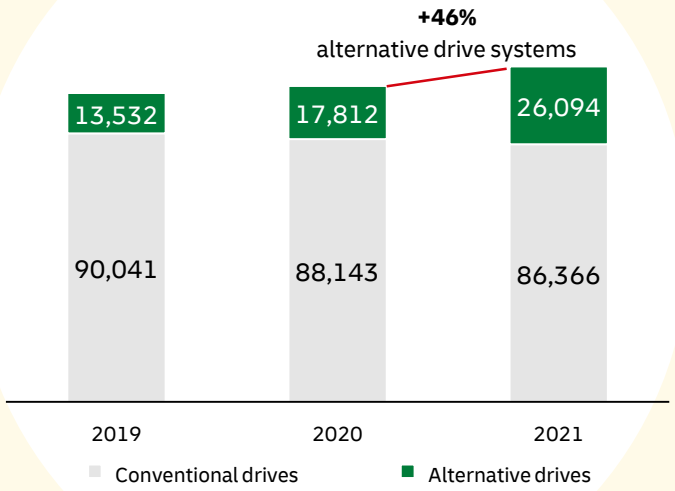
Our road fleet comprises 112,500 vehicles worldwide.

- Conventional vehicles are continually upgraded
- 84,600 vehicles[1] comply with Euro emissions classification, of which
  - 25% are entirely emissions-free
  - 68% meet Euro 5 or 6 standards

2021
23% alternative drives fleet-wide

2021
21,400 e-vehicles
3,500 hybrid drive systems

Alternative drives in road fleet



[1] Comprises the largest vehicle fleets in areas covered by the Euro emissions classifications (Europe, USA, Japan, China).

ESG Statbook

Main levers in climate-neutral building design

Climate-neutral building design
Starting in 2021, all new (owned) buildings built to be climate neutral

Electricity from renewable sources
Increase share to >90% by 2030

Sustainable heating systems
Increase use to >50% by 2030

Purchasing power
Electricity procured directly from renewable and sustainable sources

Sector coupling
Convert locally produced electricity from renewable sources into fuels for our e-vehicle fleet

Building automation
Use digitalization and smart building management systems to further reduce energy consumption

Green product portfolio

Clean fuels and technologies

Decarbonization of logistics service by using sustainable fuels and technologies (GoGreen Plus) Website

Offsetting projects

Offsetting of customer GHG emissions[1] via certified climate protection projects

Website

Green optimization

Optimization of customer supply chains to reduce emissions, waste and other environmental impacts

Transparency target:
Carbon reports for customers in all divisions

[1] This offsetting is not taken into account for the calculation of our carbon footprint.

Biodiversity, noise pollution, natural resources, waste and recycling

These topics are not considered material for our company by us or our stakeholders. Our business models do not have a serious impact in these areas.

Biodiversity

- Sites predominantly located in urban areas or designated industrial and commercial zones
- Operations do not have a direct negative impact on protected plants or animals
- Sustainable Fuel Policy takes account of biodiversity aspects during production

Waste

- Avoid waste and digitalize processes
- Support recycling
- Contracts for maintenance and disposal encourage environmentally-friendly practices

Noise pollution

- Working with stakeholders to develop solutions to ensure any noise pollution we cause is kept to an acceptable minimum
- Ongoing modernization of our fleets

Water

- Mainly used by our employees for sanitary needs
- Maintenance or scrapping of our fleets is the responsibility of the manufacturer or other third-party providers

Paper

We only use recycled paper[1]

[1] Where these meet our technical and economic requirements.