



DrivingChange™

Corporate Social Responsibility
Report 2017



Content

We are DPDgroup	Page 4
Employer of choice	Page 14
Carbon neutral commitment	Page 22
Smart urban delivery	Page 36
Innovative entrepreneurship	Page 42
Closer communities	Page 48
DrivingChange in a nutshell	Page 56





We are DPDgroup



“

Our vision

Two years after having committed DPDgroup to support the Ten Principles of the United Nations Global Compact, I am pleased to provide you with a progress update on human rights, labour rights, environment and anti-corruption initiatives, as well as our DrivingChange CSR priorities.

2017 has been another year of rapid growth, driven by the ongoing expansion of e-commerce. We have delivered more than 1.2 billion carbon neutral parcels, consolidating our position as the second largest player on the European Courier, Express and Parcel market

DPDgroup's CSR ambitions consistently focus on four priorities closely related to our business and on which we can have a direct, positive impact, such as our market-leading carbon neutral commitment. Supported by various efficiency programmes, we have met our 2020 carbon reduction target well in advance. This year, we decided to engage the company in the Science Based Targets initiative, in order to define a new carbon reduction target in line with scientific knowledge to combat climate change.

We are a pragmatic partner. As a delivery expert we are constantly striving to improve the way we operate. We focus our efforts on areas where we can have the most significant impact. In support of urban logistics projects, all European business units began building tailored urban logistics schemes, by adopting new urban locations and opting for low carbon transport alternatives. This is a crucial step to

better contribute to reducing pollution and congestion in city centres. As a responsible and sustainable player, we are adapting our processes and laying the foundations for new operating conditions, in order to improve the environment and quality of life in cities.

We are passionate about combining innovative technology and local knowledge to provide a flexible and user-friendly service for recipients and make their lives easier. We constantly challenge ourselves to foster operational excellence, customer satisfaction and sustainable solutions for the low carbon transition. Our interactive delivery service, Predict, not only meets consignees' expectations but also reduces DPDgroup's 'business to consumer' last mile CO₂ emissions by 4%.

Our commitment reflects the CSR strategy of Le Groupe La Poste, our shareholder, which aims to go beyond compliance, achieve exemplarity and accompany society's transformation in terms of minimising its local footprint, promoting digital responsibility, and supporting the low carbon transition.

This Communication on Progress also formally expresses our commitment to the Sustainable Development Goals and driving our sustainability efforts in line with the UN's 2030 vision.

On behalf of DPDgroup, I hereby express my continued support for the UN Global Compact and renew our ongoing commitment to the initiative and its principles.

”



Paul-Marie Chavanne

President and CEO
of GeoPost

DPDgroup at a glance

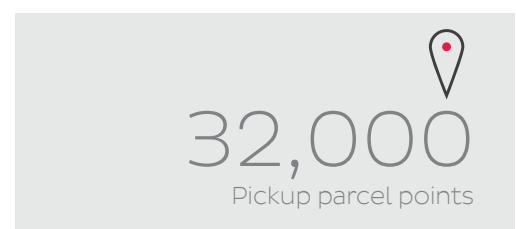
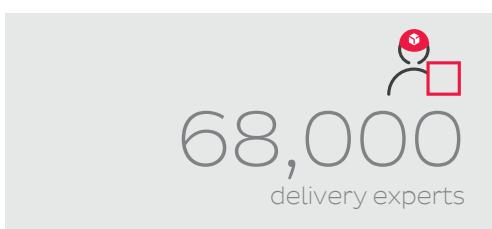
DPDgroup is the second largest international parcel delivery network in Europe. It combines innovative technology and local knowledge to provide a flexible and user-friendly service for both shippers and shoppers.

With more than 68,000 delivery experts and a network of more than 32,000 local Pickup points, DPDgroup delivers 4.8 million parcels daily through the brands DPD, Chronopost, SEUR and BRT.

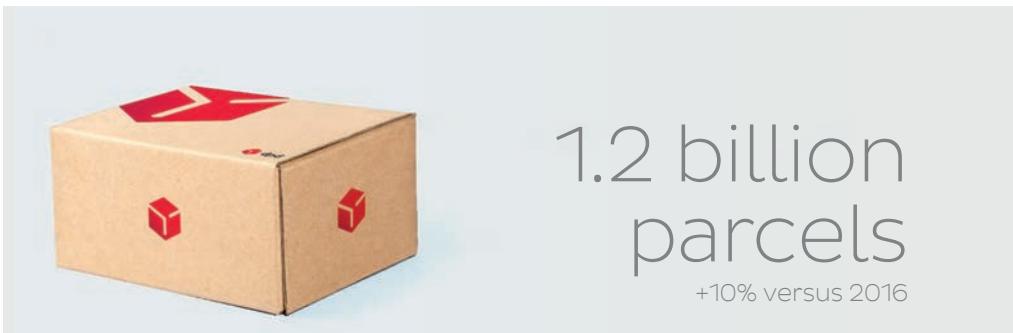
DPDgroup is the parcel delivery network of GeoPost, a holding company owned by Le Groupe La Poste.



Who we are



Operational



Activity (in volume)



Financial



2017 CSR highlights

DPDgroup has achieved a Gold Level by EcoVadis

EcoVadis, the international supply chain sustainability rating agency awarded DPDgroup a gold recognition medal for achieving a score of 62 points, which is 20 points above the sector average.



DPDgroup renewed its partnership with Ashoka

DPDgroup renewed its partnership with Ashoka, a global network of social entrepreneurs. This shows the group's commitment towards supporting social entrepreneurs who are a source of inspiration for all.



DPD Poland was elected 2017 leader in Human Resources Management

The Polish Ministry of Employment rewarded DPD Poland as Leader in Human Resources Management for the second year, acknowledging the group's dedication to creating an engaged and fulfilling workplace.



Chronopost awarded for its commitment to reducing GHG emissions

Chronopost received the "Best Progression" trophy from the ADEME, with regards to its CO₂ Objective Charter. Over the last 3 years, Chronopost has reduced its CO₂ emissions intensity by 24.7%.



DPDgroup published its first Global Compact Communication on Progress

DPDgroup published its first CSR and COP report in 2017 to communicate on the progress made since joining the Global Compact. The report reached the Active level and was nominated to the award of the "First Best COP" category.





DPDgroup committed to the Science Based Target initiative (SBTi)

Having met its 2020 carbon target 4 years in advance, DPDgroup extended its commitment to define a new carbon reduction objective, setting out how DPDGroup will contribute to maintaining global temperature increase below 2 degrees.



Employees voted for a seventh offset project in Brazil

As part of the group's carbon neutral target, employees from 15 business units had the opportunity to vote for the seventh CO₂ emissions offset project: replacing shale oil with renewable biomass in a factory in Brazil.



DPDgroup's head office employees raised €14,000 for the Laurette Fugain association

DPDgroup's head office employees raised €14,000 for Laurette Fugain, an organisation fighting leukemia, through blood donations, gift-giving and sport challenges.



SEUR rolled out a large fleet of alternative vehicles with SEUR Now

SEUR Now, a service available in Madrid and Barcelona deployed natural gas-powered FIAT Fiorino vehicles to deliver on its two-hour delivery commitment.



GeoPost signed a global framework agreement with UNI Global Union

GeoPost signed a global agreement with UNI Global Union on fundamental human rights. The agreement applies to all entities and reaffirms the Group's commitment to international human rights principles.



DPD Germany received an award for an innovative workplace safety initiative

Two apprentices designed a mobile heel protector for trolleys to limit the risk of accidents. The pair received the "Golden Hand" accident prevention award from the employers' liability insurance.

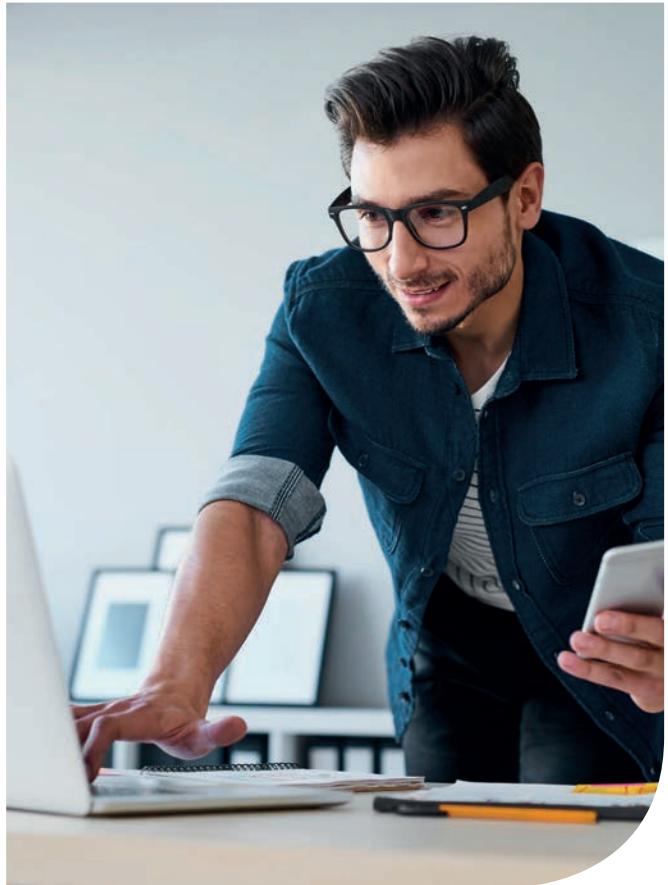
United Nations Global Compact

The foundations of our DrivingChange programme rest on our company's strong values and culture of integrity.

In 2016, DPDgroup joined the United Nations Global Compact and committed to its Ten Principles related to human rights, labour conditions, environmental preservation and anti-corruption.

By embracing and incorporating the [Ten Principles of the UN Global Compact](#) into our operations, we are not only upholding our basic responsibilities to communities and to the environment, but also setting the stage for our group's long-term performance and success.

As part of its commitment to the UN Global Compact, DPDgroup is required to communicate its progress on the Ten Principles. This report serves as DPDgroup's Communication on Progress (COP).



DPDgroup and the Sustainable Development Goals

In 2015, all 193 United Nations Member States committed to the 17 United Nations Sustainable Development Goals (SDGs), a set of objectives laying out an agenda for achieving a brighter and more stable future by addressing our world's most pressing challenges: extreme poverty, heightened inequality, exclusion, injustice, climate change and biodiversity loss.

Fulfilling these ambitions will require unprecedented efforts from a wide range of actors – governments and civil society cannot attain these SDGs on their own, without the contribution of the private sector.

The SDGs provide a strategic framework for companies seeking to create long-term value and take advantage of untapped market opportunity. Companies contri-

buting to the SDGs are therefore creating value that truly matters to society by meeting the most crucial societal needs.

DPDgroup, as a future-oriented company, is committed to supporting the UN Development Goals.

To deliver on this commitment DPDgroup organised, with the UN Global Compact, a workshop made up of representatives from each business unit. The aim was to develop a common understanding of the SDGs and to determine the specific goals for which the group could make a significant contribution in light of its core capabilities and business activities. The SDGs and associated targets will be addressed further in the group's strategy going forward.

SUSTAINABLE DEVELOPMENT GOALS

DPDgroup identified the **3 most relevant SDGs** in light of the group's impacts on society, opportunities and the existing DrivingChange programme:

8 DECENT WORK AND ECONOMIC GROWTH



GOAL 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

11 SUSTAINABLE CITIES AND COMMUNITIES



GOAL 11

Make cities and human settlements inclusive, safe, resilient and sustainable

13 CLIMATE ACTION



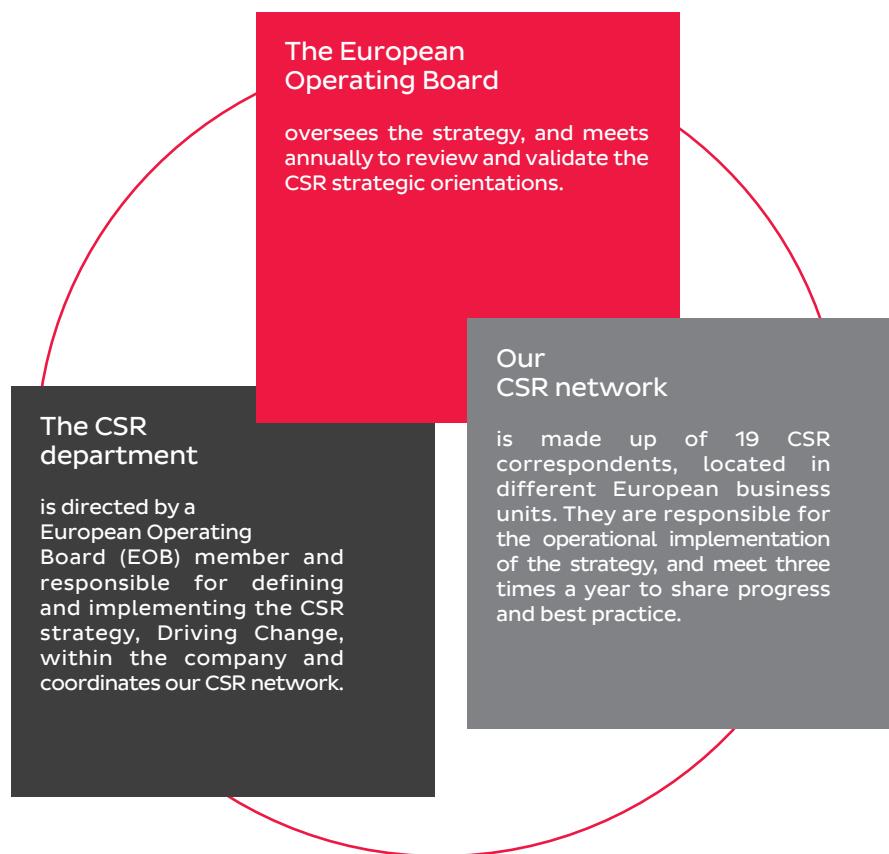
GOAL 13

Take urgent action to combat climate change and its impacts

CSR Governance

DPDgroup is structured to enable effective management of environmental, social, and ethical topics at all levels; the most senior decision makers are involved in setting the CSR strategy and guaranteeing its implementation.

The strategy is designed to be in line with Le Groupe La Poste in its search for exemplarity. Our strong domestic presence mainly in Europe requires fostering positive local footprint, to become an effective and responsible digital player and to take responsibility in ecological transition.



Working with international standards

DPDgroup adheres to a range of **international CSR standards**:



We have been a member of the **Global Compact** since 2016. The 2017 CSR report is our second Communication on Progress (COP).



United Nations Environment Programme

We follow the United Nations Environmental Programme's (UNEP) recommendations for a carbon neutral world by the end of the century through our partnership with EcoAct, and are developing a low carbon strategy based on the Science Based Target initiative to stay within a 2 degree trajectory in 2100.



We have adopted the **ISO 14001** management system standard within our operations to guarantee a structured approach to the management of environmental aspects. This standard covers 74% of employees.

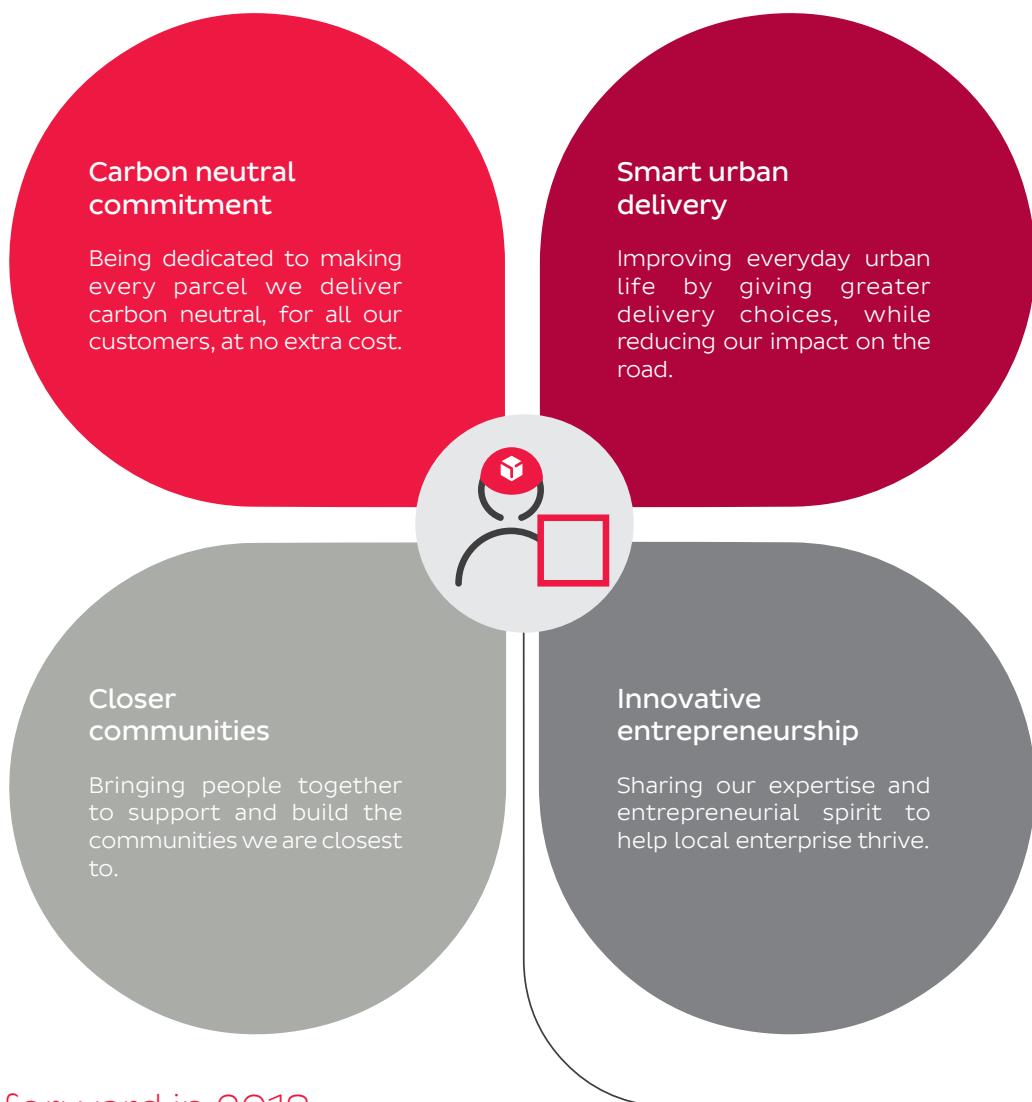
Our DrivingChange programme

Paving the way to a more sustainable business, DrivingChange is DPDgroup's CSR programme – a programme inherent to who we are and how we do business.

DrivingChange focuses on four priorities where we feel we can make the most meaningful difference within parcel delivery and beyond: by reducing and neutralising our carbon footprint; providing smarter

and more efficient urban delivery solutions; driving innovation inside and out; and building meaningful connections in the communities we work with.

At the heart of these four priorities stands being an Employer of Choice. Providing a mindful, respectful and ethical workplace for all employees and partners is a foundation to our business and an aim to which we all contribute in our day-to-day practices.

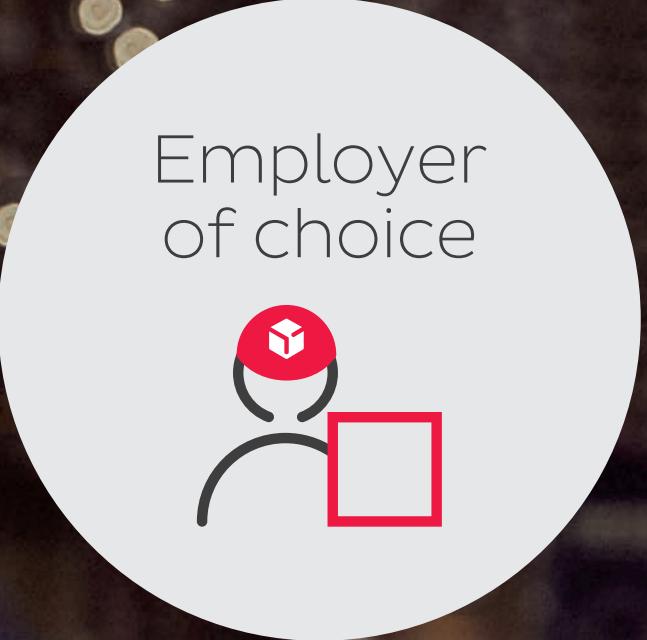


Looking forward in 2018

In order to respond to our stakeholders' needs, and to drive positive change, we will be working in 2018 on refining and improving our DrivingChange programme. We will set ourselves both short and long-term objectives, among which a carbon reduction science based target, and we will further integrate the United Nations Sustainable Development Goals.

Employer of choice

Providing a mindful, respectful and ethical workplace for all of our employees and partners.



Employer
of choice



Employer of choice

At DPDgroup, we believe that our greatest asset is our workforce. As an organisation made up of 68,000 delivery experts, our aim is to lead a responsible business where everyone feels empowered to engage in the group's mission and purpose, and able to contribute to promoting business success and customer satisfaction. By engaging with our workforce,

we ensure each and every individual helps to create a responsible, innovative and empowered culture.

Being a responsible workplace also means doing business in an ethical manner at every level and within every division of the company. This is the responsibility of both our business units and employees, and remains an overarching commitment of DPDgroup.

2017 key figures



100% Business Units have implemented our code of business conduct.



78% staff are on permanent contracts.



DPDgroup trained 65% of its employees, representing 45,168 training days in total.

2017 actions

- Employees empowerment programme (DNA) has been implemented in 6 countries
- GeoPost has updated its Code of Business Conduct with a section dedicated to the detection and the prevention of corruption.

How?

On the path to being an employer of choice, we focus on two fundamental pillars of our business:

Our people

Ethics



Our people

The Courier, Express and Parcel industry is a large employer that relies heavily on its workforce. At DPDgroup, each business unit is responsible for adopting a tailored approach to human resources, in line with country requirements and local needs.

This is proven by our award-winning DNA, a programme empowering each and every one of us to respond effectively to the challenges and needs of each country.

Employee Empowerment (DNA)

The DNA programme is DPDgroup's employee engagement tool. Originally created for and by DPD UK, this programme aims to help each business unit engage its workforce around a compelling vision and strong leadership. Starting with a unit-wide reflection around mission, vision and values, each unit creates a simple communication plan. This is then integrated into everyday systems, processes and training, and rolled out to all employees and contractors. This approach has helped transform DPDgroup from a logistics-focused culture to a service culture.

We already have implemented DNA in six countries, with three more scheduled for 2018.



Interview

"We established the DNA programme at DPD UK to help create a more cohesive working culture. The objectives of the programme were four-fold:

1. To motivate all employees
2. To ensure all teams share one single focus
3. To support the development of employees
4. To empower employees and value their contribution.

Identifying its DNA – its vision, mission and values – and communicating it well, has led to 92% of employees understanding what they can do to contribute positively to the strategy. Additionally, DPD UK achieved its vision two years in advance, and was included in the Sunday Times Best Companies to Work For list in both 2016 and 2017."

David Poole
HR and Training Director at DPD UK,
creator of DNA programme.





Interview

“DNA is a cultural transformation project designed to help people to change. Defining DNA for SEUR was easier than I thought at the beginning because it was received very well. We decided to get as much employee participation as we could to ensure it reflected our values. More than 140 employees participated and worked with great enthusiasm to ensure SEUR’s DNA was identifiable to all. Now, the aim is that it really reaches every corners of the company in order to achieve our vision: “To be the most desired company by customers and employees in our industry.”

Itxaso Larrangana
People and CSR director, SEUR



Interview

Human rights

GeoPost signed a global agreement on human rights and freedom of association with the UNI Global Union in March 2017, confirming its commitment to respect human rights in line with the International Labour Organization's Fundamental Principles and Rights at Work, and the UN Guiding Principles on Human Rights.

“This agreement is a significant breakthrough, and is the first time that one of the delivery parcel giants has signed an agreement with a global union.”

Philip Jennings
UNI Global Union General Secretary

People and diversity

As a major employer, DPDgroup employs over 68,000 people, including employees and subcontractors. Of our total internal staff, 78% have permanent contracts.

In a traditionally male dominated industry, 28% of roles at DPDgroup are held by women. This proportion reaches 54% in central support functions. Conscious of this disparity, we are taking action to help foster more gender diverse teams.

Health and wellbeing

DPDgroup is striving to become an employer of choice for the sector in every location where we do business. We are doing this in multiple ways: through improving benefits to adopting a globally consistent set of values to promoting a sense of belonging and a good work-life balance.

DPDgroup signed the European Works Council (EWC) Agreement in 2008, followed by the European recommendations on Quality of Life At Work in 2015. We are committed to running an Employee Opinion Survey within all European Business Unit every two years, and follow it with tailored action plans to improve employee satisfaction. In 2016, around 75% of DPDgroup employees in 17 countries responded, with 80% voicing their satisfaction with their working environment.

Recognising the varying levels of maturity within different business units, we organise frequent HR seminars, as well as an annual European Work Council, gathering HR directors from each business unit, and sharing best practices from multiple countries.

Skills and training

Training is an integral part of the way we do business. We believe that each and every one of us should benefit from it. More than 21,000 employees participated in at least one training session this year.

Overall, DPDgroup provided more than 520,000 hours of training, of which 35% was delivered to subcontractors. Our focus on training forms part of a larger LISE (Learn, Improve and Share Expertise) programme: a user-friendly platform that consists of e-learning courses on service culture and soft skills for sales and customer service teams, drivers and managers. In 2017, we developed an induction programme based on four learning sessions. In 2018, we plan to translate the content at no cost for our business units and deliver shorter induction modules for drivers.

Interview

“In 2017, DPD Poland won the Leader in Human Resources Management Award offered by the Ministry of Employment and Civil Policy for the second year running, bringing further recognition of our efforts to support our employees.”

Marta Westrych
HR Director,
DPD Poland



Interview

“DPDgroup’s new e-learning induction programme combines both technical and cultural information. Training modules are fun, interactive and easy to remember. Also, you feel that you’re not only a part of your national business, but also a part of the wider DPDgroup!”

Ausra Laurinaviciene
Training specialist,
DPD Lithuania





Subcontracting

DPDgroup aspires to be the company of choice for our subcontractors. Our aspiration is to establish a positive and mutually beneficial relationship with our partners. Driver commitment to amazing service is paramount

and crucial to our continued success, and we will therefore forge a new programme to improve this relationship.

DPD Poland

DPD Poland supports subcontractors by negotiating a range of discounts on products and services such as private health care programmes, phones, cars and life insurance.

DPD United Kingdom

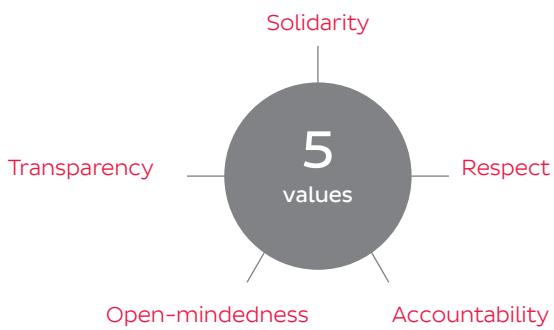
DPD UK has a strong commitment that drivers will be the best paid in the industry. DPD UK will also give all drivers the opportunity to apply to change contract type - i.e. move between employed, Owner Driver Workers and Owner Driver Franchisees.



Ethics

Corporate responsibility implies conducting business in a responsible way with a long-term view, going beyond commercial interests and compliance to make a positive impact in society. Business ethics relates to guidelines for business conduct based on universally recognised standards of what is right and fair.

DPDgroup's ethical stance, which can be defined as our global framework to the whole group, is based on the five values we share with GeoPost:



Ethical business practice is also reflected in the four commitments of the group's service culture:



Code of conduct

In order to integrate the group's ethical stance into our daily work, GeoPost/DPDgroup has developed a Code of Business Conduct, established in 2012. This document can be used by employees and partners at all levels of the company to guide their decision-making and interactions with internal and external stakeholders.

Our Code of Business Conduct is inspired by various sources, from the Responsible Procurement Charter to the Conventions of the International Labour Organization (including on forced labour, health and safety of workers, discrimination, pay, freedom of association, and the right to organise and bargain collectively). It encompasses topics such as respect towards others, confidentiality, privacy,

integrity, conflicts of interest, fair competition, employee health and safety, diversity and personal development.

We review the Code frequently, and updated it in 2017 with an anti-corruption chapter.

We require all GeoPost and DPDgroup employees to adhere to the Code, as well as consultants, subcontractors and other external service providers acting on behalf of the group. Compliance with our Code of Business Conduct is a mandatory component of our employment contracts.

GeoPost business units are required to roll out the Code of Business Conduct in line with their activities and domestic laws.



Governance

DPDgroup has developed a governance system that promotes the implementation and respect of the Code of Business Conduct. At country level, each business unit has an Ethics Officer in place, while at corporate-level, the group benefits from an Anti-Corruption Officer and a Competition Compliance Officer, roles created to help implement our fair competition and anti-corruption programmes.

Employees have various means at their disposal to report breaches of the code: they can contact any of the above offices directly, or use our whistle-blowing system, which guarantees complete confidentiality.

Our sustainable procurement approach

In 2017, we developed a group-level Sustainable Procurement Charter, based on the International Labour Organization and the UN Global Compact. We will roll it out in 2018, requiring our suppliers to sign it. The Charter addresses issues relating to social and environmental practices, ethics and anti-corruption. In 2018, DPDgroup will continue to share best practices within the group and work on guidelines and training tools to raise awareness of the importance of sustainable procurement.

The Duty of Care Act was enshrined in French law in March 2017. It obliges large companies to establish and implement a vigilance plan with measures to identify and prevent social, corruption and environmental issues resulting from their activities and those of the companies they control, as well as the activities of subcontractors or suppliers on whom they have a decisive influence. DPDgroup is contributing to the vigilance plan that will be made public in Le Groupe La Poste's annual report.

A focus on anti-corruption

As per our Code of Business Conduct and consistent with our commitment to the UN Global Compact Principles, DPDgroup prohibits all forms of corruption in our dealings with stakeholders. We apply the three key principles that govern Le Groupe La Poste's anti-corruption plan: Zero Tolerance, Everyone Concerned and Everyone Vigilant. In line with the French law Sapin II, introduced in 2016, DPDgroup is implementing an anti-corruption compliance programme. This includes a risk-mapping of our activities finalised in 2017, internal whistle-blowing systems for each business unit, employee training and supplier evaluations.

Personal data protection

To comply with the new General Data Protection Regulation (GDPR), Geopost is rolling out an action plan within DPDgroup, integrating data protection changes throughout the organisation's processes and culture.

To do so, each European business unit has been required to appoint a person in charge of data protection. GeoPost supports the GDPR community of DPDgroup by providing materials and assistance regarding open points. Since beginning of 2017, any central projects involving personal data are managed in accordance with the privacy by design approach, as required by the GDPR.





Carbon neutral
commitment



Carbon neutral commitment

Transportation currently accounts for around a quarter of the world's energy-related carbon emissions. As freight transport activities are projected to increase by around 80% by 2050 compared to 2005, the delivery sector is facing a great challenge to mitigate its environmental impact. Every day, DPDgroup's 68,000 delivery men and women deliver more than 4.8 million parcels

across Europe and to over 23 countries. This express delivery system, important to us and our clients, is also a large contributor to global greenhouse gas emissions. To address this challenge, the group has set itself an ambitious commitment, inherent to our DrivingChange programme: to make every parcel it delivers carbon neutral at no extra cost for its customers.

2017 key figures



-11.2% of CO₂ emissions per parcel in 2017 (vs. 2013)



100% of our transport emissions offset in 2017 (the equivalent of 912,731 tonnes CO₂e)



#1 in the sector on the voluntary market



7 offset projects supported, representing 5% of the European voluntary offset market

2017 actions

- DPDgroup has created an internal Carbon Fund of €500,000 in 2017 for all business units to deploy carbon reduction initiatives

- DPDgroup has committed to the Science Based Targets

Ambition

Set a new « Science Based » carbon reduction target and maintain our leadership in carbon neutrality

How?

We are mitigating our impact on climate change and have achieved carbon neutrality since 2012 by taking a three-step approach:

We measure



We reduce



We offset



We measure

Measuring our own impact

The first step to managing and reducing DPDgroup's carbon emissions is having a thorough understanding of the GHG emissions resulting from our operations.

To achieve this aim, the group uses "RESPIRE", an internal reporting system allowing the collection of consumption data from transport, depots and hubs, in the 18 subsidiaries fully owned by DPDgroup. Quarterly reports allow each division to closely monitor its consumption and emissions.

We continuously improve the tool in order to ensure its effectiveness and reliability – subsidiaries now benefit from new Avoided Emissions indicators, which allow them to measure gains from ongoing energy and fuel reduction initiatives.

The tool aligns with international standards such as ISO 14064, the European standard EN 16258, the French standard BEGES and our internal protocol, and data is externally audited annually to ensure its accuracy.

Allowing customers to measure their impact

In addition to measuring the group's overall emissions, DPDgroup launched its Carbon Calculator tool in 2016, giving customers precise information on request on the carbon footprint of their parcel, according to its exact route. Although these emissions are later offset by the group, this tool enables individuals and businesses to have a thorough understanding of their impacts. It also responds to the needs of the group's growing base of environmentally-conscious clients.

The analysis is performed for every single parcel that enters the group's logistic network. The tool was recently verified by SGS, a verification and certification company, as a third body, against the requirements of the European standard EN 16258.

Total CO₂e emissions of DPDgroup

Transport emissions represent:

91.4 %

of the group's
total CO₂e emissions

6.8 %

Buildings

0.9 %

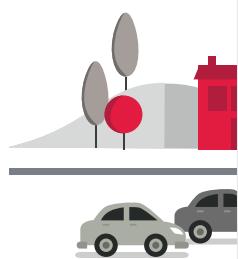
Business vehicles

0.5 %

On-site freight

0.4 %

Paper consumption



We reduce

Measuring emissions allows DPDgroup to understand and manage them effectively. As parcel volumes increase and the demand for delivery services grows, a robust emission reduction plan is a first crucial step on the path to making every parcel we deliver carbon neutral. We are working on a new emission reduction target, aligned with the Science Based Targets initiative, in order to ensure our goals are ambitious and in line with scientific knowledge to limit global warming below 2C° by 2050.

In 2017, we continued to improve the efficiency of each parcel delivered, achieving an average of 0.738 kg of CO₂e per parcel in 2017, a reduction of 11.24%, compared to 2013. This exceeds our target of reducing the CO₂e emitted per parcel by 10% by 2020.

This reduction is also notable within the sector: the average amount of tCO₂e emitted per million euros of turnover by DPDgroup is three times lower than the sector average.

3 LEVERS



The creation of an internal carbon fund



The use of alternative fuel vehicles and fuel-efficient driving



An increase in the load capacity of our transport vehicles.

The Carbon Fund

Business units being completely autonomous in their fleet management, DPDgroup created a 500,000 euros Carbon Fund in 2017. The aim was to incentivise all business units to deploy carbon reduction initiatives by providing funding for projects such as alternative vehicles, fuel-efficient driving or efficient loading training and building energy management.

This initiative has been successful, with subsidiaries investing more than €1.2 million to complement central funding and finance their carbon reduction plans.

Case study

DPD Slovakia has used the funding to deploy two electric Voltia eNV200 Maxi vehicles in Bratislava, the first company to do so in the country will deliver close to 128,000 close to **128,000 parcels over 4 years** in an environmentally sustainable way.



"After a successful test phase, we decided to deploy the first two vehicles in standard operation in May 2017. Our goal is to deploy this type of electrical supply in several big cities in the long run to contribute to reduce air pollution."



Peter Pavuk, CEO,
DPD Slovakia

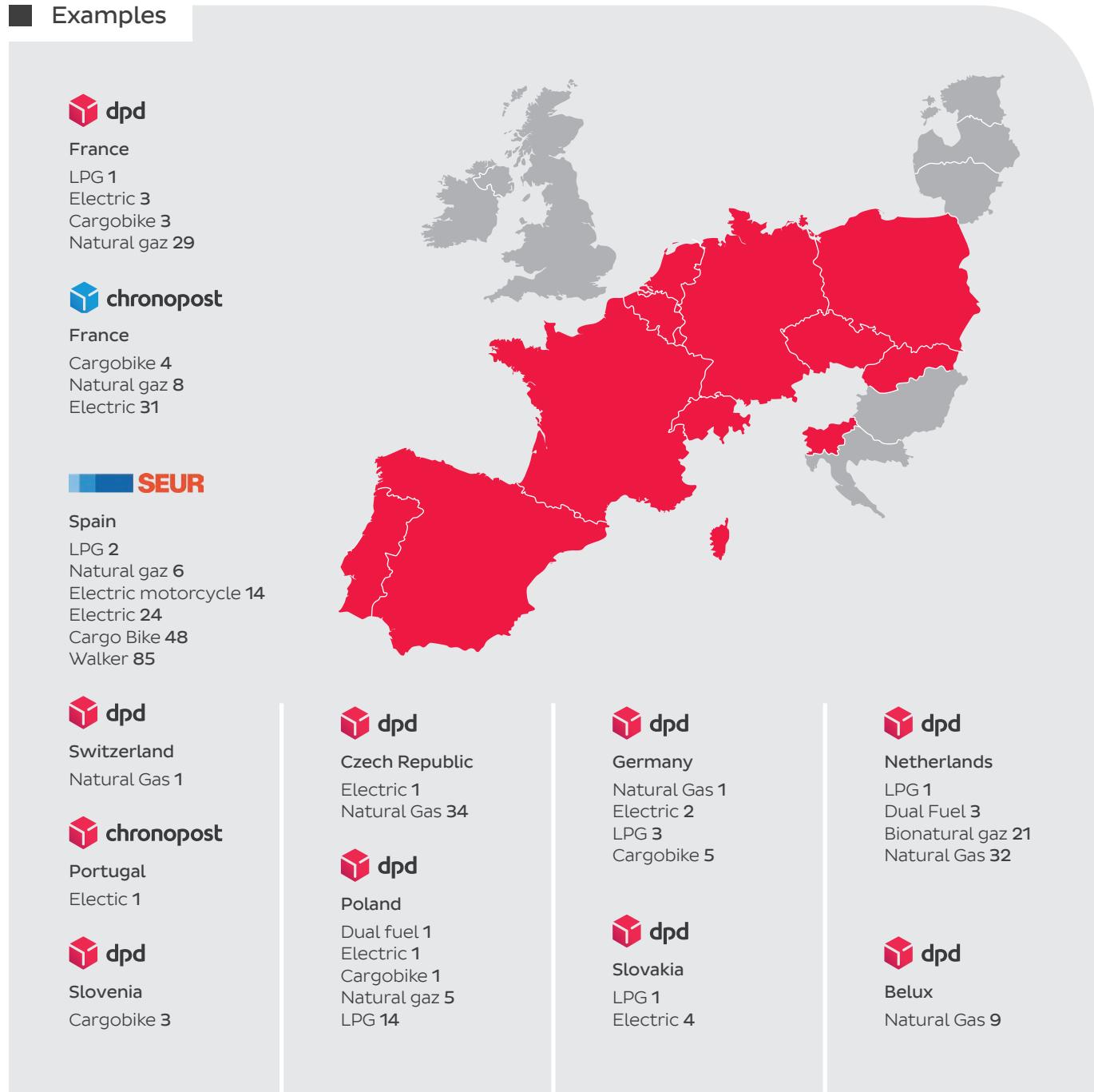
We reduce

Alternative fuel vehicles and fuel-efficient driving

DPDgroup is expanding its fleet with a focus on environmental efficiency – we now operate more than 300 alternative fuel vehicles, meaning that more than 19 million kilometres were travelled by Liquefied

Natural gas (LNG), Bio Natural gas (BNG), electric or electricity-assisted vehicles. Together with fuel-efficient training sessions, this helped avoid more than 950 tCO₂e in 2017.

■ Examples



We reduce

Maximising the capacity of our fleet

Maximising truck loading capacity, specifically on in-demand routes, reduces the number of trucks on the roads and therefore lowers emissions and environmental impact. As reported last year, DPD Netherlands has been investing in trucks reaching the maximum allowed loading capacity of 162 m³.

This year, the road trains fleet has expanded to 23 vehicles, thus reaching the optimal number of trucks on the Dutch road network. This investment delivered multiple social and environmental benefits: in addition to lowering road congestion, it prevented more than 1,120 tCO₂e from being emitted in two years. DPD NL is now looking into developing its fleet with LNG and electric motors, an ongoing innovation. Given the success of this initiative, a similar one has been deployed in Spain, with "SEUR megatrucks".

■ Interview

Christian Heyer

DPD Switzerland driver since 2013 on DPD Go!, DPDgroup's driver-oriented app featuring interactive training to improve eco-driving and customer service.



"Doing the quiz on the DPD Go! app is really a great and funny way to learn about ecodriving! It allows me to do my bit for the environment."

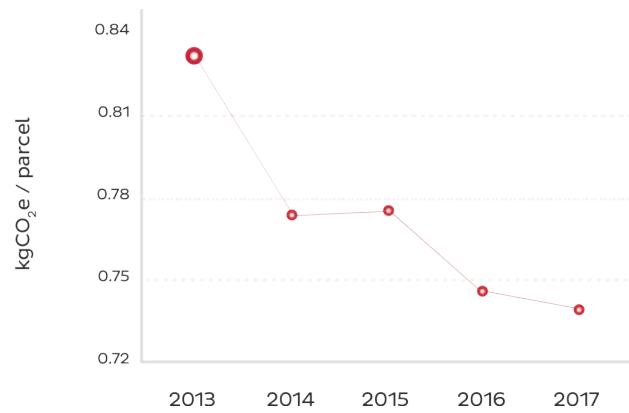
Looking forward

In order to ensure we play our part in the transition to a low-carbon economy, we have decided to set new emissions targets in line with the Science Based Targets Initiative, i.e. with the level of decarbonisation required to keep the global temperature increase below 2°C,

compared to pre-industrial temperatures. While we will only be able to begin reporting progress on this target in two years' time, we are continuing, nevertheless, to pursue our emission reduction efforts.

■ GHG emission per parcel

GHG emissions (kgCO ₂ e per parcel)	TOTAL
2013	0.831
2014	0.778
2015	0.779
2016	0.747
2017	0.738



We offset

The final step of our three-pronged approach is to offset all remaining CO₂ emissions from transport - including our indirect emissions from outsourced transport - in order to achieve carbon neutrality. This makes DPDgroup Number 1 in the voluntary carbon market in the sector.

Emissions offset

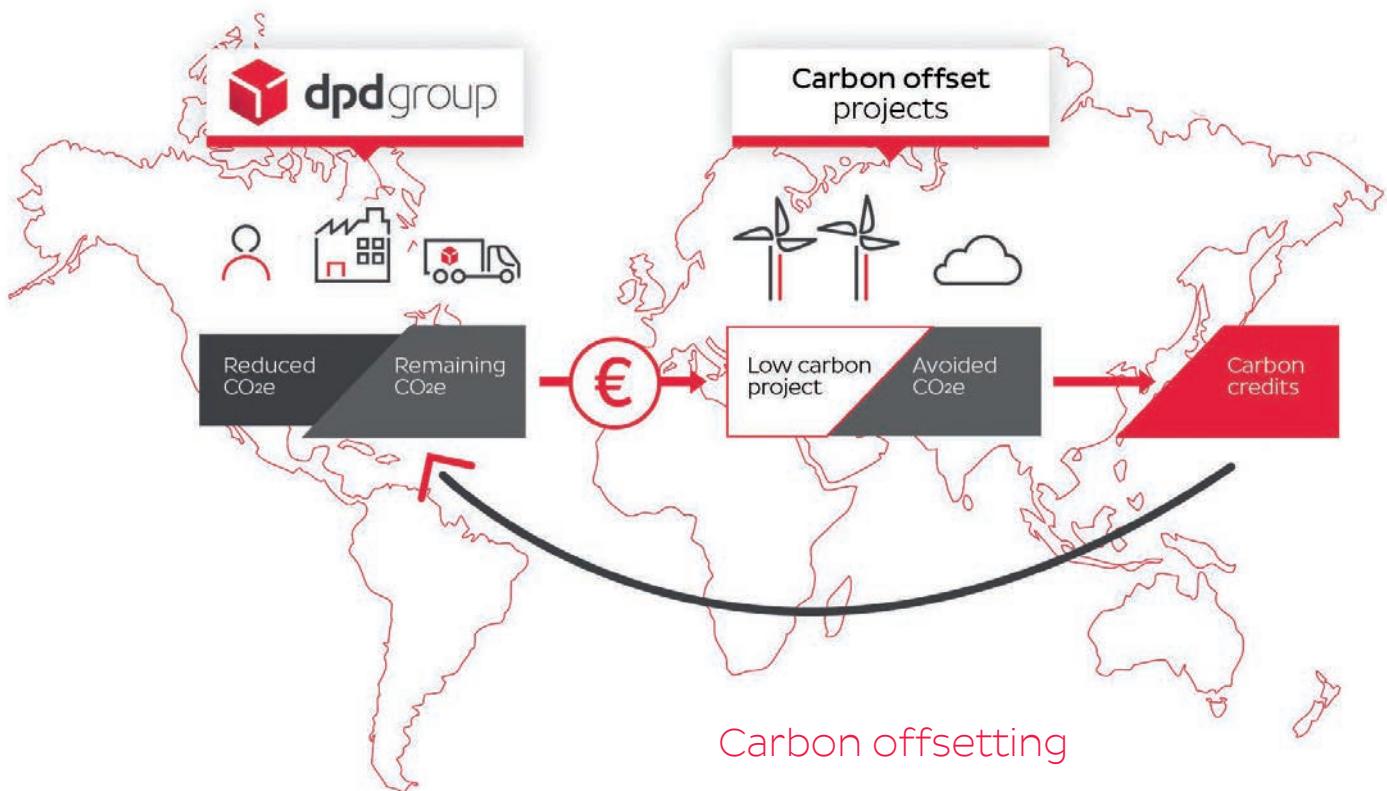
Since we launched our carbon neutral commitment in 2012, we have delivered **4.8 billion carbon neutral parcels**.

Our offsetting programme consists of seven projects related to **renewable and clean energy production**. In 2017, the seventh project in Brazil was added to the list after being voted for by employees from 15 Business Units.

We developed our offsetting programme, and the associated projects, in partnership with EcoAct, a European leader on the carbon market. Only projects which are verified by the most rigorous carbon standards on the market – the Verified Carbon Standard (VCS), the Gold Standard, and the United Nations Joint

Implementation mechanism – are taken into consideration. Additionally, every project is verified by a third party to guarantee accurate measures of CO₂e savings. Both environmental and socio-economic benefits are considered when choosing an offsetting project. With the aim of contributing to the energy transition, all of the projects that we fund have a focus on renewable energy, energy efficiency, or the circular economy. These are not tax-exempt and we do not have equity investments in the projects.

These seven offsetting projects have helped offset 912,731 tCO₂e. This investment not only offset 100% of our GHG parcel delivery emissions, it also drives social and economic improvements: we participate to provide energy for more than 295,000 people across 7 countries and create nearly 200 jobs.



We offset

■ Interview

Gerald Maradan

CEO and co-founder at EcoAct Group, as well as co-founder and Vice President of the NGO Entrepreneurs For Life.

<https://eco-act.com>



What is your perception of DPDgroup in terms of responsibility?

DPDgroup is a value-driven company, while also being customer-oriented.

In that sense, they are the living-proof that a company can do business in a responsible way. Services such as Predict or Pickup are great examples of the successful search for the right balance between business and responsibility. On the supplier side, EcoAct works with DPDgroup as a partner. Both companies strive to find the best possible approach to DPDgroup's responsibility.

Is DPDgroup taking the appropriate steps to tackle its main environmental impacts?

DPDgroup's programme follows the best practices in carbon management. In light of the widespread endorsement of the Paris Agreement, all companies have a role to play. DPDgroup demonstrates climate leadership in this respect, especially when compared to other actors within the CEP (Courier, Express and Parcel) industry. At DPDgroup, transport is mostly subcontracted, resulting in a more complex roadmap to effective GHG reductions. Still, DPDgroup involves its transport suppliers and constantly explores new innovative logistics solutions.

What are the highlights of DPDgroup's carbon management approach?

The Paris Agreement overall objective is to reach carbon neutrality by the second half of this century. A host of countries have already committed to carbon neutrality.

DPDgroup's offsetting programme goes beyond the Paris Agreement objectives, and allows its customers to contribute to these global goals at no extra cost.

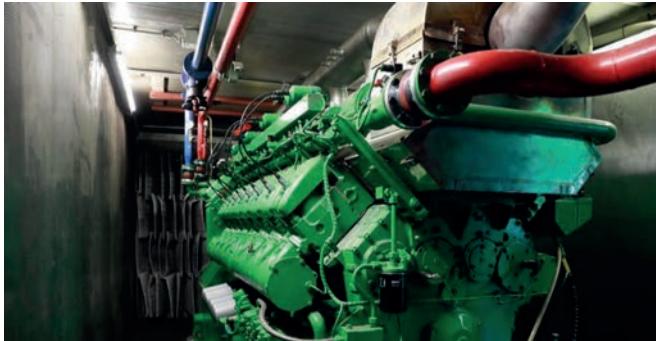
What are your expectations regarding DPDgroup's offsetting programme? How could it be improved?

Historically, DPDgroup have devoted a lot of effort in managing carbon emissions. However, this dedication is not always exposed to the outside world.

Lately, DPDgroup has stepped up its communication plan to share its story and raise awareness on its leadership position in terms of carbon emissions stewardship.

In order to complement its ambitious offsetting programme, DPDgroup should demonstrate the alignment of its goals with the United Nations Sustainable Development Goals.

We offset



 **Germany – CleaningGround**
Improving the local energy mix by capturing methane
The emission of coal mine gases (CMM), such as methane, is an unavoidable consequence arising from mining. CleaningGround captures CMM and compresses them to produce energy, which is sold to renewable energy providers – all the while limiting the negative impacts of mining by reducing the emission of CMMs by 90%.



United Kingdom – UnitedShire

Improving the local energy mix by capturing methane

UnitedShire tackles the issue of abandoned mines that still emit methane, a strong greenhouse gas – using compression technology, the project produces power and heat, while preventing methane from being released in the atmosphere.



 **Czech Republic – Waste Energy**
Producing energy from waste
In a country where landfill is the most common method of waste disposal, Waste Energy captures the GHG and toxic gas emitted from these landfill sites (which significantly contribute to global warming) to create energy, which is then transferred to the grid.



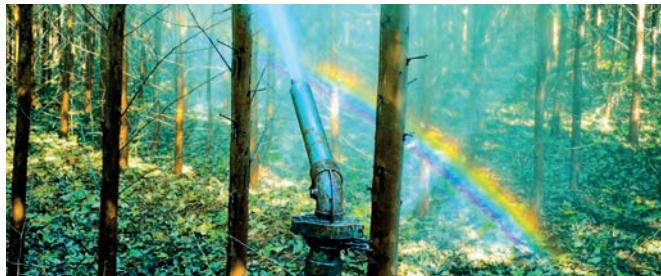
Turkey – Balikesir Wind

Using wind to produce energy

Fossil fuel is the biggest source of electricity generation in Turkey. Balikesir Wind has enabled important investments in wind turbines, leading to an average of 200,000 tCO₂e being avoided per year – equivalent to the energy use of 35,000 people in Turkey.



We offset



Brazil – Dori Biomass

Switching to renewable biomass in candy factories

Dori Alimentos, a Brazilian confectionary and nut manufacturer with more than 2,000 employees, has switched from deriving power from shale oil to using renewable power from eucalyptus trees. It has installed biomass boilers, fed by eucalyptus woodchips, and the ashes are used as fertilisers on the plantation sites. This has helped to avoid emissions equivalent to the energy use of 7,600 people in Brazil.

Poland – Green Binders

Producing building materials from waste

In a country in which the energy mix relies highly on coal, the Green Binders initiative takes a circular economy approach. It uses calcareous ashes emitted from the burning of coal in the country's electricity production to create alternative construction materials, thereby avoiding the need for the production of new cement- and lime-based materials.



India – Hindi Wind

Using wind to produce energy

Hindi Wind is supplying renewable electricity in rural India by installing 133 Wind Turbine Generators (WTGs) to generate 190GWh of electrical power. This has led to an average of 160,000 tCO₂e being avoided per year – equivalent to the energy use of 100,000 people in India.



Other environmental aspects



Along its delivery process, a parcel will go through several stages that involve other operations than transport. Although transport is by far DPDgroup's primary environmental impact, the energy, paper, water and waste that we use and produce during our operations also contribute to the group's environmental impact, representing around 10% of our carbon footprint.

DPDgroup's business units are involved in a host of initiatives to curb their environmental impacts. Information is collected from our offices, hubs and depots every quarter, via a company-wide reporting tool. Data is controlled internally and externally, and key performance indicators, such as carbon footprint, are then followed-up by each business units.

2017 key figures

Renewable electricity consumed:



vs. 12% in 2016

Energy intensity in our buildings:



126 kWh/m² in 2017
vs 119 kWh/m² in 2016

Waste diverted from landfill:



vs. 78% in 2016

2017 actions

- DPD France has committed to meet 100% of its electricity needs with renewable sources.

- Solar panels with a 65,000 kWh capacity were fitted on the Veenendaal Depot in the Netherlands, in order to power the building's conveyor systems and other electric consumption.

Other environmental aspects



Water

Although DPDgroup's activities do not require large volumes of water, our business units are taking action in this area. 70% of our depots monitor their water consumption on a quarterly basis to identify potential major variation that could be linked to leaks. Additionally, a number of depots have implemented water reduction initiatives. We fitted our two most recently built depots in Aalter and Flémalle, Belgium with tanks designed to harvest rainwater, thereby reducing their water consumption.

Water consumption increased by 6% per m² versus 2016



Waste

DPDgroup's business units play an active role in managing their waste at both logistics hubs and offices. Paper, cardboard, plastics and wooden pallets are sent for recycling. Hazardous materials, as well as electric and electronic waste, are also handled responsibly, in compliance with legal requirements.

95% waste was diverted from landfill in 2017



Paper

We closely monitor our consumption of office paper, labels and external communication materials. Whenever possible, our procurement team purchases paper from responsible sources, such as FSC-certified, recycled or paper neutral in carbon.

83 % of paper used in 2017 was from sustainable sources

In various countries across Europe, DPDgroup offers an e-billing service to its customers to lower paper consumption. In the same spirit, delivery routes are no longer printed but directly uploaded to the communications devices used by our drivers.



Energy use, vital for DPDgroup's proper functioning of depots and offices, is the group's second environmental impact after transport. This consumption is mainly related to the electricity used within depots and offices for lighting, and operational transport equipment such as sorting systems.

We have a number of local initiatives in place to limit our energy consumption and to increase the energy produced from sustainable sources.

Production of renewable energy

1,385,000 kWh produced in 2017

Depots are buildings where parcels transit before being transported to their final destination. The surface of depots is often large enough to hold solar panels on the roof, which will help reduce the impact of a site.

Renewable contracts electricity

+39 million kWh from renewable electricity contracts

To further the group's carbon neutral commitment, we rely on renewable electricity contracts in many of the countries where we operate. The principle is simple: the provider guarantees that a set proportion of electricity used originates from a renewable energy source.

LED lighting modernisation

To ensure timely deliveries for all our clients, depots are operated around the clock, requiring efficient and constant lighting. We are equipping a growing number of depots with LED lighting, which yields significant energy efficiencies.

DPD Netherlands

At our Veenendaal depot in the Netherlands, we have installed solar panels with a 65,000 kWh capacity to power the building's heating and cooling, ventilation and lighting systems. Solar panels are not the only sustainable attribute of the Veenendaal depot – the site is also fitted with a robust insulation infrastructure, a heat recovery system, and energy efficient lighting.

57,000 kWh produced in 2017

22 tons of CO₂ saved

DPD France

DPD France has committed to meet 100% of its electricity needs with renewable sources. For every kWh used by DPD France, its electricity supplier is guarantees the injection of the equivalent amount of electricity from renewable sources into the grid.

10 million kWh consumed in 2017

810 tons of CO₂ saved

DPD Poland

In 2017, DPD Poland upgraded its lighting system at the Gdansk depot to reduce costs associated with frequent replacement and improve working conditions through better lighting. It used 210 LED lights across the 5,000m² depot.

Up to 60% energy savings are expected over the next ten years

27 tons of CO₂ will be saved annually



Smart urban
delivery

dpd

Umweltfreundlich
unterwegs
in Nürnberg

Smart urban delivery

With more than 73% of Europe's population, cities are buzzing hubs of innovation, culture and productivity. However, this increasing urbanisation also brings its share of issues - from denser city centres to air pollution-related illnesses, causing more than 400,000 premature deaths in Europe each year.

DPDgroup is looking to adapt to these challenges by contributing to the creation of new urban logistics

landscapes: Using service innovation and last-mile logistics, we are developing user centric solutions to tackle urban issues.

As one of our four CSR priorities, Smart Urban Delivery is looking to improve everyday urban life by giving customers greater delivery choices, while reducing our impact on the road.

2017 key figures

Average age of fleet



vs 5.07 in 2016

The fleet renewal allowed a decrease in local pollutants (2016 vs 2017)



Pickup points in Europe



from 28,000 to 32,000

2017 actions

- The addition of 2,000 vehicles complying with Euro 6 standard
- The launch of an internal working group dedicated to urban logistics

Ambition

Pilot and deploy smart urban delivery solutions throughout our 19 European Business Units

How?

We improve the impact of our final delivery fleet

We improve



We propose



We propose greater delivery choices to improve everyday life.

We improve

We improve the impact of our final delivery fleet

DPDgroup's impact in urban areas is mainly attributed to its pick-up and delivery fleet. This fleet is composed of 38,000 vehicles, which travelled a total of 1.2 billion kilometres in 2017.

By using light commercial vehicles for last mile operations and limiting the level of pollutants emitted, we are able to minimise congestion and pollution in city centres.



In 2017



38,000

pick-up and delivery vehicles



1.2 billion

kilometres

Finding sustainable solutions to urban logistics

In 2017, DPDgroup launched an internal working group dedicated to urban logistics, with the aim of finding solutions to a two-pronged challenge: the rise in demand for deliveries in city centres, coupled with stricter traffic restrictions in European cities.

This has enabled the launch of multiple low emission initiatives, currently being trialled in 12 countries. Solutions include:



■ Deploying a low-emission delivery fleet:

New modes of transport are tested and deployed natural gas, bio natural gas, electric vehicles, bicycles and deliveries made by foot.

■ Using "micro depots" and "urban depots":

Smaller depots, situated closer to high density areas, allow cleaner deliveries, such as bicycles or foot.

■ Anticipating new legislation:

Engaging closely with stakeholders allows us to anticipate and react quickly to up and coming legislation, such as the diesel ban, which is being increasingly set across Europe.

We improve

Case study



To make progress on its commitment to sustainable delivery, **SEUR is taking action in urban logistics on many fronts**. It has received a Sustainable Ideas award from Actualidad Económica, a Spanish business magazine, which selects the 100 best ideas launched during the year.

In Barcelona, SEUR is trialling new urban logistic projects, where it has identified high density areas and assigned deliveries to the most appropriate delivery resource:

- **Deliveries of 1 kg or under are conducted by a courier on foot.**
- **Deliveries of 2 kg or under are conducted by bicycle/tricycle.**
- **Deliveries over 2 kg are made by vans.**



These resources, managed by “micro depots” – smaller logistics centers, located in the heart of cities – allow us to operate closer to recipients, shortening our delivery distances and minimising the emissions and other negative impacts associated with the “last mile”. In this way, SEUR has delivered **170,000 shipments via alternative means each month**, and has **reduced its CO₂ emissions by 16% per package delivered**.



We improve

Limiting pollutants

DPDgroup measures two air pollutants in particular – both a direct consequence of our delivery activity: particulate matter (PM) and nitrogen oxides (NOx). Unlike greenhouse gas emissions, which have a global impact, these pollutants, emitted by all vehicles, represent a local health hazard. DPDgroup is therefore actively replacing its “conventional” diesel and petrol delivery vehicles with alternatives, such as electric vehicles, bio gas vehicles or bicycles.

We use the Euro Standard, which defines the acceptable limits for exhaust emissions and pollutants, to measure the impact of our fleet. The standard currently has 6 stages ranging from Euro 1 (worst performing vehicles) to Euro 6 (highest performing vehicles), and cities around Europe are increasingly taking measures to reduce pollutant concentration. We are taking active steps to improve our fleet: 70% of our fleet meets Euro 5 or 6, and 2,000 new Euro 6 vehicles were deployed in 2017 – a third of the total fleet deployed.



DPD Estonia

DPD Estonia has adopted a clause preventing the use of vans over five years old, and has negotiated a special agreement with car dealerships, encouraging subcontractors to use newer, more efficient vehicles. As a result, DPD Estonia has one of the newest DPD fleets globally, with an average of 2.58 years per delivery vehicle.



We propose

Greater delivery choices to improve everyday life.

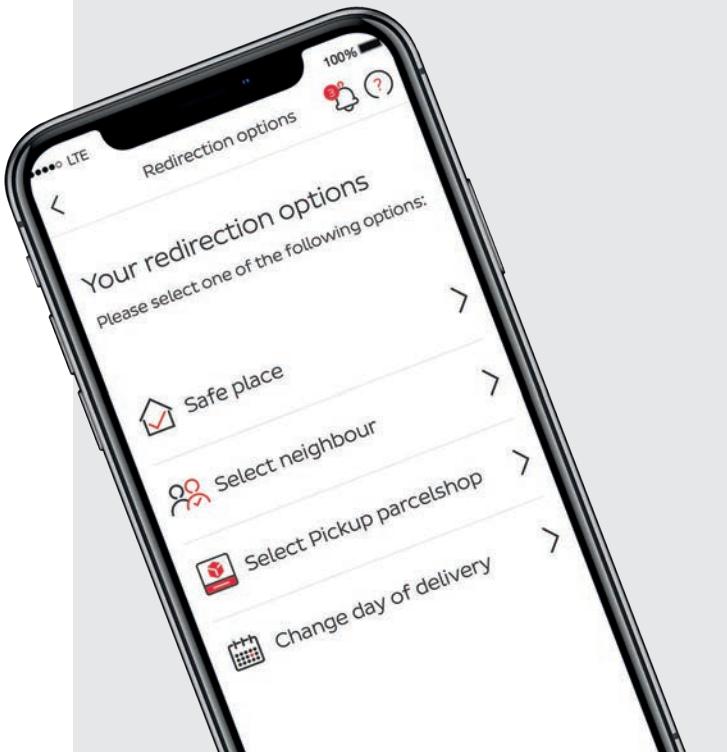
Citizens are seeking ease and rapidity in all aspects of life. Services such as e-commerce, allow customers to save time, money and have access to a greater choice of products.

While just 5 out of 10 internet users in the European Union made an online purchase in 2007, this number reached almost 7 out of 10 in 2017. This rise in online shopping and deliveries creates significant challenges in urban areas – as they become denser, cities need to remain liveable and guarantee a good quality of life to their inhabitants.

This is one of the challenges that DPDgroup set itself: to improve everyday life by offering greater delivery choices. By listening to our customers, we have designed user centric solutions: innovative products and services that truly respond to citizens' needs, providing more flexibility and freedom to customers, while increasing delivery efficiency.

Predict

Predict allows customers to stay informed of the exact timeslot their parcel will be delivered. Specific delivery information is sent via text or email the day prior to the delivery. This service – offered as an option to our clients – helps improve our efficiency and our environmental impact – a first analysis show that CO₂ and our environmental impact by increasing the first delivery success rate are reduced by an average of 4% compared to a standard delivery.



Pickup

Pickup offers customers flexibility in delivery, via the ability to receive parcels from the Pickup point of their choice. This service allows them to collect the parcel at their convenience, close to their work or home, while making our service more efficient by consolidating several deliveries at a single location and thus reducing distances and emissions. We are constantly developing our Pickup network and now have over 32,000 Pickup points across Europe.





Innovative
entrepreneurship

Innovative entrepreneurship

Entrepreneurship and innovation are part of DPDgroup's DNA. Through our history, innovation has always been an integral part of the way we do business. We grew through the acquisition of local delivery experts, created by entrepreneurs, and our decentralised management structure allows our business units to be highly autonomous. Given the evolving nature of the CEP sector, with the rise of e-commerce and on-demand delivery, innovation also presents a signi-

ficant opportunity for the group. At DPDgroup, we believe that developing and empowering innovative entrepreneurs creates a positive impact and shared value locally. We share our expertise and entrepreneurial spirit to help local enterprise thrive and support innovative ideas.

To ensure a structured approach, we established an Innovation Team focusing on start-ups and e-commerce in 2014.

2017 key figures



Social entrepreneurs from the Ashoka network empowered by DPDgroup since 2014



Intrapreneurs supported financially by DPDgroup in 2017



European Business Units have an Innovation Champion

2017 actions

- DPDgroup has extended its partnership with Ashoka through to 2019

Ambition

Implement innovative entrepreneurship programmes to foster social innovation and intrapreneurship

How?

Our support for entrepreneurship has **three objectives**:

We stimulate employee innovation



We empower social entrepreneurs



We support external entrepreneurship



We stimulate employee innovation

No-one knows our business better than our employees. Giving them the opportunity to develop and share new business ideas is the best way to be innovative and remain a leader in the CEP industry. Our innovation and CSR departments are joining forces with our parent company Le Groupe La Poste, and participating in its “20 projects for 2020” initiative. This annual initiative

encourages employees to submit their boldest and most innovative ideas. Winners have the opportunity to develop their project within the group and receive 12 months of support to demonstrate its business potential, with a view to creating a subsidiary. Since 2014, more than 3,000 employees have taken part, submitting over 1,000 projects.

Below are examples of internal entrepreneurship at DPDgroup:

■ Interview

Stéphanie Palluel

Ex-key account manager
at Chronopost,
now co-founder of Accola



“I co-created Accola, a project that draws on the community spirit of neighbours to make urban delivery more effective. Accola ensures parcels are delivered when the recipients are away by entrusting their parcels to trustworthy neighbours.

We participated in Le Groupe La Poste’s “20 projects for 2020” initiative, and as one of the chosen projects, we received financial backing from the group and benefited from its expertise through mentoring programmes. The great thing about it was that it allowed us to tap into a huge network of professionals willing to help: a wide range of La Poste’s employees helped us strengthen our project by sharing insights

and advice. In addition, we were given the opportunity to work full time on our enterprise, transforming our idea into a tangible start-up.

We have already run a pilot project in two areas of the Ile-de-France region in October 2017. Following this success, with a 15% increase in ‘first delivery’ success rate and a 75% drop in parcels returned to the post office compared to standard delivery, we will roll out an extended pilot in September 2018.”

We stimulate employee innovation

With a dedicated innovation team in place, we are able to support employees in developing ideas that respond to the needs of the business. Through employee training, mentoring, HR support and adapted work timetables or financial support, we back employees right from the outset of these new ventures.

■ Interview

Olivier Mercuriot

Ex-international director
for Pickup and founder of
KeyOpsTech



"We came up with KeyOps-Tech along with my business partner and fellow DPDgroup employee, Lionel de la Bretesche. After working in remote, rural areas in India, we decided to develop a solution to enable parcel delivery in areas with no reliable transport infrastructure.

Our digital solution connects formal and informal transport actors, tracking the exchange and delivery of post and parcels all the way from the sender to the recipient. We ensure security in parcel transactions through an innovative, patented operating mobile app and methodology, offering the best possible user experience, including customer notification, real-time parcel tracking and secure collection.

Without DPDgroup's financial and legal support, we simply wouldn't have been able to set it up so fast. DPDgroup is now the main shareholder.

While we currently solely operate in the Ivory Coast, our aim is to be present in 15 African countries in the next five years."

We empower social entrepreneurs

DPDgroup supports social entrepreneurs who think outside the box to solve social challenges through our longstanding partnership with Ashoka, the largest global network of social entrepreneurs.

Ashoka's aim is to enable everyone to be a changemaker by supporting social entrepreneurs and accelerating change through collaboration. In 2017, DPDgroup and Ashoka renewed their partnership for a further three years. The partnership has a strong relationship with DPDgroup's core business. Together, we:

- **Help social entrepreneurs in finding solutions to workforce inclusion, social cohesion, urbanisation, local economic development, and low-carbon related models;**
- **Support social entrepreneurs facing logistical challenges.**

DPDgroup is committed to selecting and supporting at least three Ashoka Fellows financially between 2017 and 2019.

In parallel, Ashoka will organise six discovery sessions focused in fostering inspiration and collective innovation aimed at DPDgroup employees across diverse entities and departments in Europe. The aim is to encourage employees to embrace the potential of social innovation and develop co-creation opportunities with social entrepreneurs.

Interview

"After seven years of close collaboration, DPDgroup has decided to make its partnership with Ashoka a core component of its CSR programme. This is a clear sign that the group now sees social innovation not just as a philanthropic act but as a real growth opportunity and a way to drive employee engagement."

DPDgroup and Ashoka are embarking on a new journey, and at its centre is an ambition for Ashoka to play an active role in the group's societal transformation efforts. I am confident that we're only at the beginning of a fruitful and long-lasting partnership!"

Jean-Marc Guesné

Director of Ashoka France



We support external entrepreneurship

DPDgroup provides support to innovative external entrepreneurs, through a mutually beneficial logic. Our aim is to help local entrepreneurs develop their projects through a range of actions, such as providing special rates or free shipping services, granting awards or financial support, and enabling skills sponsorship.



DPD Slovakia

at the Via Bona Festival

Thanks to its involvement in supporting small businesses and start-ups, DPD Slovakia was invited to join the jury of the Via Bona Festival, awarding responsible businesses. The prize of Excellent Employer, was presented by DPD Slovakia's CEO, Peter Pavuk.





DPD Poland

Partner of the E(x)plory programme

For the second year running, DPD Polska supported the E(x)plory 2017 competition, a unique initiative that promotes science and innovation and supports young talented scientists and innovators. This year's awards were won by the creators of an electronic support system for beekeepers and a student who developed a herbal medicine to help treat cancer.



DPD Lithuania and DPD Croatia empower local E-commerce entrepreneurs



DPD Lithuania

is the principal sponsor of the country's largest E-commerce event. Beyond financial support, DPD Lithuania empowers budding entrepreneurs by sharing valuable advice, industry news, insights on emerging trends and much more.



DPD Croatia

is an active member of the country's first E-commerce Association. DPD Croatia provides training on the company's social accounts to up-and-coming businesses, and helps them to achieve media coverage.

A photograph showing a woman with blonde hair holding a young girl. The girl is reaching out to take a small bunch of red flowers from a person's hand. The person handing over the flowers is wearing a red cap and a white sweater. A cardboard box is held by the woman's hands. In the background, there is a wooden cabinet and a vase with red flowers. A large grey circle is overlaid on the top left of the image.

Closer
communities

Closer communities

As a delivery expert, DPDgroup connects closely to local communities on a daily-basis – we have a unique opportunity to support the communities in which we work.

DPDgroup employees are able to put forward local projects that are important to them.

Our committed people offer voluntarily their time, skills and resources to support communities and grow together.

Our ambition is to make a positive contribution to the communities we are the closest to.

2017 key figures

Distance travelled by solidarity transport



Number of organisations supported



Employee participation



2017 actions

- New actions identified by employees in BUs allowed us to support 96 community initiatives.

- 100% of Business Units had Closer Community initiatives.

- Around 50% of the initiatives carried out last year have been renewed in 2017.

Ambition

Further Increase the level of involvement of our delivery experts in local communities initiatives

How?

We support communities in two ways:

Using our delivery and logistic expertise to support local initiatives

Solidarity transport



Employee commitment



Sharing our time, passion and skills to back local communities

Solidarity transport

Using our delivery and logistic expertise to support communities where we operate



Netherlands
Driving with « Victor safe »

2,000 beneficiaries

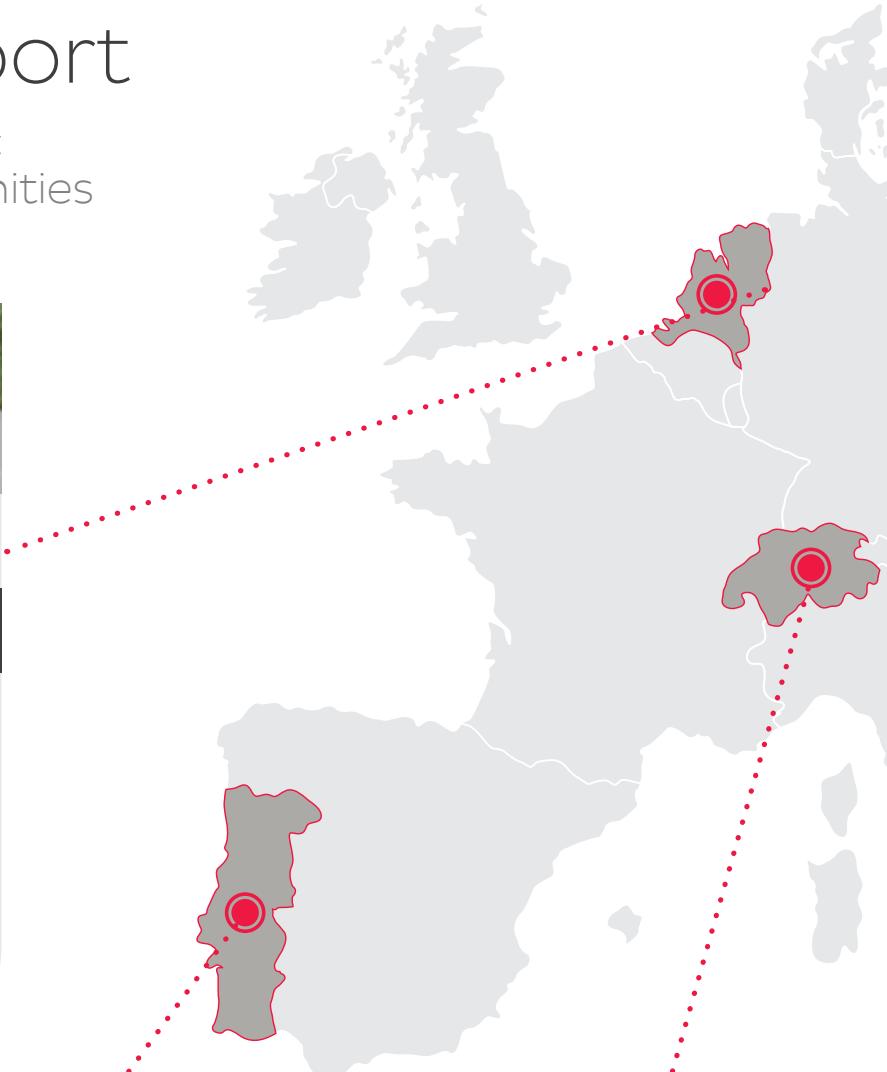
At the beginning of the new schoolyear, DPD Netherlands took part in the fight for road safety through the Victor Safe project. The project is to focus the attention of drivers on the safety of children playing on the streets by using bright yellow dolls. DPD's drivers played their part by setting up the dolls at strategic places along their routes.



Portugal
Angel Tree Programme

1,200 gifts donated to the Salvation Army and underprivileged children

Chronopost Portugal supported the Salvation Army by delivering gifts to underprivileged children for Christmas. The initiative allowed gifts to be donated via the "Angel Tree Programme" and sent to a Chronopost Pickup point. The gifts were then collected and delivered to the Salvation Army. 26 of the donors were group employees.





Switzerland
Selling and delivering oranges for the wellbeing of children around the world

38 tons of oranges delivered

For the fifth year in a row, DPD Switzerland worked with Terre des Hommes, the leading Swiss child relief agency. DPD Switzerland supported the transport and sale of oranges to raise funds for the organisation. In 2017, it delivered approximately 38 tons of oranges. The money raised will bring access to medical care, nutrition and hygiene to thousands of children.

Closer
communities



Latvia

Heat the heart by warming paws

2.4 tons of goods delivered to
animal shelters

In 2017, DPD Latvia supported a number of animal shelters by doing, free of charge, what it does best: delivering. DPD couriers collected donations such as food, blankets, toys and much more all over Latvia. People participating in the initiative had the option of choosing any of the country's animal shelters as the beneficiary of their donations.



Estonia

Food for zoo animals



12 tons of leftover crops delivered

Since 2012, DPD Estonia has been collecting leftover crops from farmers all over Estonia and delivering them to Tallinn Zoo, allowing farmers to eliminate food waste in a responsible manner. Farmers are also encouraged to specifically grow the crops for the animals. In 2017, animals benefitted from 12 tons of food.

Employee commitment

Sharing our time, passion and skills
to support communities

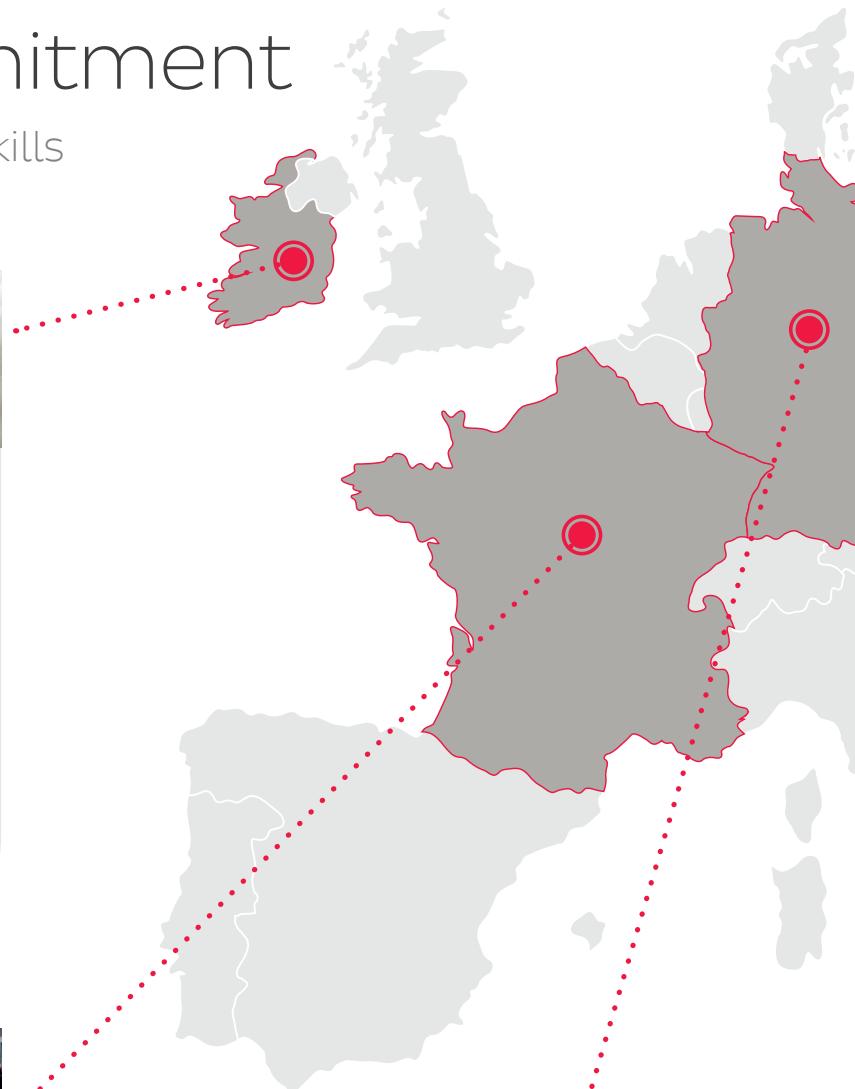
 **dpd**
Ireland
Access to employment



5 participating employees

Helping individuals find work.

In September 2017, DPD Ireland began a partnership with Seetec, an organisation that supports people in finding work by providing them with employability advice and guidance. Through this initiative, DPD Ireland offers work opportunities and placements to people who are receiving government welfare support.




France
Partnership with "Laurette Fugain"



330 participating employees

Engaging employees in the fight against leukaemia.

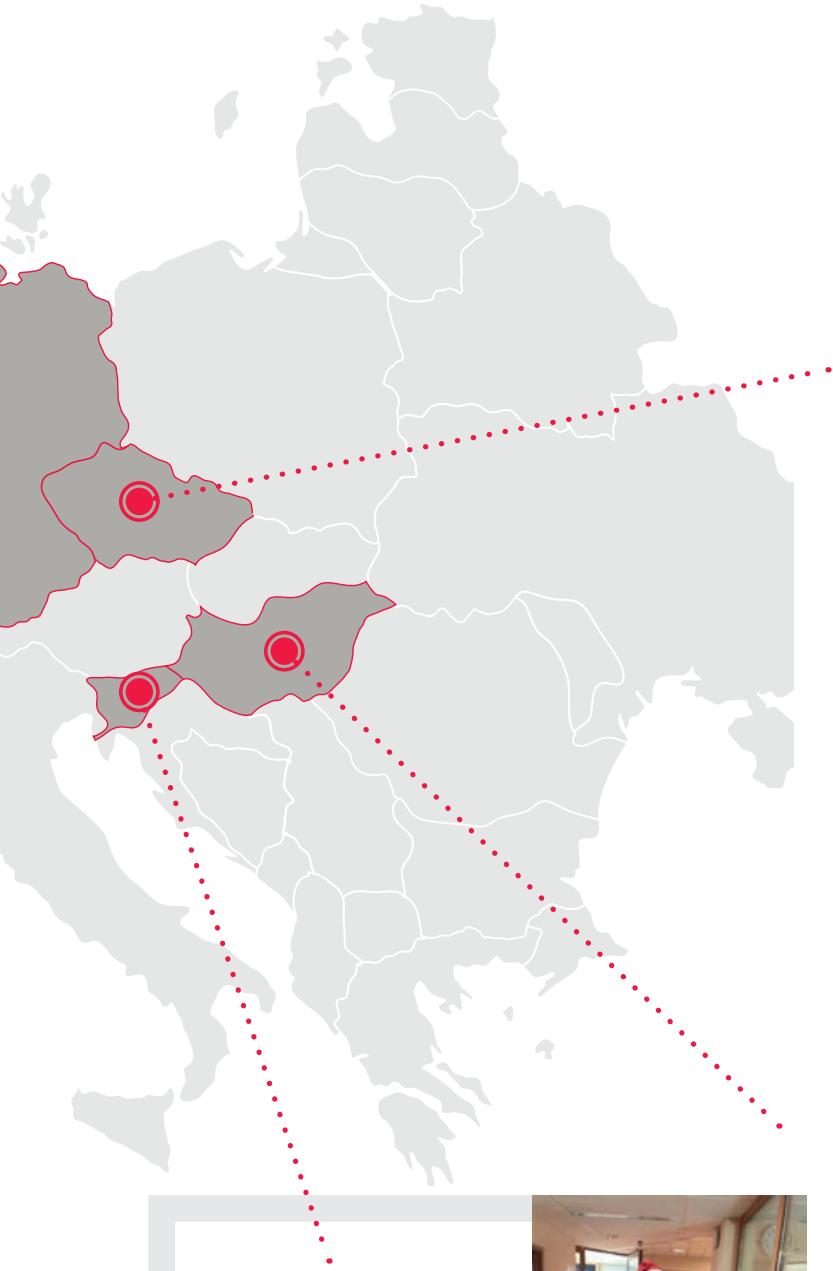
Chronopost France & GeoPost/DPDgroup supports the Laurette Fugain Association, an organisation fighting leukaemia. In 2017, Chronopost organised several initiatives to raise awareness among its employees and support the organisation's patients. The employees of DPDgroup head participated on a sport challenge to raise 14 000 euros for the leukaemia research.


Germany
Rest-cent



200 participating employees

DPD Germany launched a "Rest-Cent" initiative, giving every employee the opportunity to donate the number of cents after the decimal point of their net salary to the charity of their choice. DPD's employees raised €4,000 in 2017. Employees can choose to make an additional monthly donation, which can be cancelled at any time.



Slovenia

Gifts for hospitalised children



**430 children in hospital received
Christmas gifts**

For Christmas, DPD Slovenia invited all employees to donate gifts for children in hospital, and organised the delivery of the gifts to 430 children in four hospitals across Slovenia. Employees also organised a Christmas play and visits of Santa Claus in each hospital, who gave the children their presents.



Czech Republic

Good heart



9 participating employees

At DPD Czech Republic, employees can request grants for the initiatives for which they volunteer. Selected projects are granted a subsidy from DPD.

Beyond endorsing social causes, DPD Czech Republic also encourages employee volunteerism and allows workers to have their say regarding the company's contribution to society.



Hungary

Supporting people with disabilities

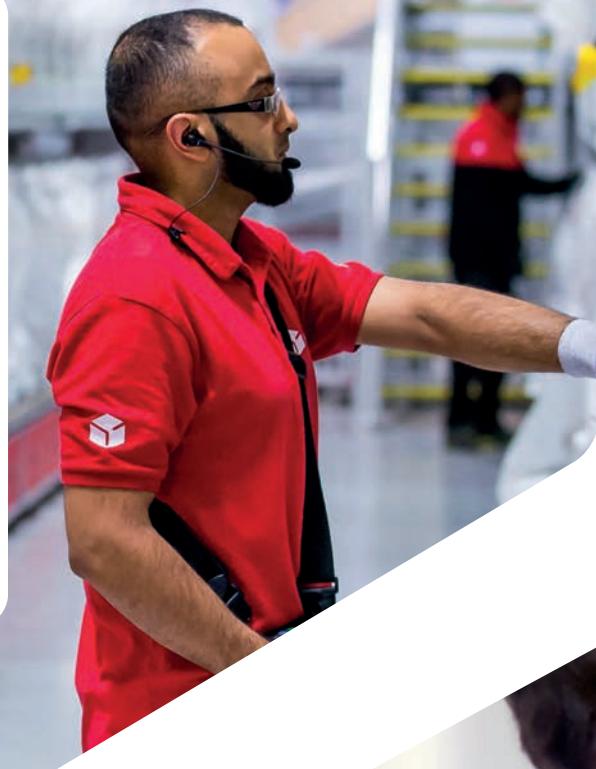


200 participating employees

Three people with disabilities
gained access to work.

Through its four-year sponsorship of the Hand to Hand Foundation, DPD Hungary is providing work opportunities to people with disabilities. It organises training twice a year to help them understand the business world, and shares employment opportunities within the company. DPD has become a reference for this initiative in Hungary. Three people benefitted from the scheme in 2017.

DPDgroup in a nutshell





Driving Change in a nutshell

Carbon neutral commitment

Key figures

-11.2% Of CO₂ emissions per parcel in 2017 (vs. 2013)

100% Of our transport emissions offset in 2017 (912,731 tCO₂e)

#1 in the sector on the voluntary offset market

7 Offset projects supported



Actions

- The creation of Carbon Fund of 500,000€ in 2017 for all business units to deploy carbon reduction initiatives.
- Committed to the Science Based Targets.

Ambition

Set a new "Science Based" carbon reduction target and maintain our leadership in carbon neutrality.

Closer community

Key figures

56,799 KM Distance travelled by solidarity transport

530 Number of organisations supported

35,626 Employee participation



Actions

- New actions identified by employees in BUs allowed us to support 96 community initiatives.
- Around 50% of the initiatives carried out last year have been renewed in 2017
- 100% of Business Units had Closer Community initiatives

Ambition

Further increase the level of involvement of our delivery experts in local communities initiatives.

Employer of choice

Key figures

65% DPDgroup trained 65% of its employees, representing 45,168 training days in total.

78% Staff are on permanent contracts.

100% Business Units have implemented our code of business conduct.

Smart urban delivery

2017 Key Figures

4.94

Average age
of fleet (vs 5.07
in 2016)

32,000

Pickup points in
Europe (vs 28,000
in 2016)

-2%
kg PM
per km

-6%
kg Nox
per km

The fleet renewal allowed
a decrease in local pollutants
(2016 vs 2017)

2017 Actions

- The addition of 2,000 vehicles complying with Euro 6 standard
- The launch of an internal working group dedicated to urban logistics

Ambition

Pilot and deploy smart urban delivery solutions throughout our 19 European Business Units

Innovative entrepreneurship

Key figures

9

Social entrepreneurs from the Ashoka network
empowered by DPDgroup since 2014

2

Intrapreneurs supported financially in 2017

100%

European Business Units have an innovation
Champion

Actions

DPDgroup has extended its partnership with Ashoka through to 2019

Ambition

Implement innovative entrepreneurship programme to foster social innovation and intrapreneurship



Actions

- Employees empowerment programme (DNA) has been implemented in 6 countries
- GeoPost has updated its Code of Business Conduct with a section dedicated to the detection and the prevention of corruption.

About this report

This is DPDgroup's second Corporate Social Responsibility report. This report covers 19 business units across Europe, all under full ownership of DPDgroup. The current coverage represents 91.3 % of DPDgroup parcel volumes.

We are working on a progressive inclusion of other business units fully owned or under financial control to the DrivingChange programme.

Unless otherwise stated, this report only includes information related to 2017.

DPDgroup operates under the following brand names: Chronopost, SEUR, DPD and BRT. The information in this report has been gathered through reporting tools, documented information and internal and external stakeholder interviews.

Please direct questions on this report or topics related to our corporate social responsibility programme to drivingchange@dpdgroup.com

Find our CSR indicators on
www.dpdgroupdrivingchange.com





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