



“Our customers expect us to deliver solutions that are socially and environmentally responsible. Our green logistics solutions help our customers reach their environmental protection goals. We are taking innovative approaches and using state-of-the-art technologies that are also improving the working conditions of our employees.”

**JOHN GILBERT**

MEMBER OF THE BOARD OF MANAGEMENT SUPPLY CHAIN



# SOCIETY & ENGAGEMENT

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## SOCIETY & ENGAGEMENT

### Management approach & targets

Corporate citizenship at Deutsche Post DHL Group is about giving back to the communities in which we live, work and conduct business. This is an integral part of our corporate responsibility strategy. As the world's leading transport and logistics company, we want to leverage our core competencies and the know-how of our employees in a way that makes a positive contribution to society and the environment. We collaborate closely with established partner organizations to ensure the maximum positive impact of our programs and activities. In the area of corporate citizenship such activities focus primarily on:

- Disaster management at airports and local support for people in need (GoHelp),
- Promoting educational opportunity and employability for young people, especially those from disadvantaged socio-economic backgrounds (GoTeach),
- Supporting local environmental and community service projects initiated by our employees, and

- Promoting workplace integration and language acquisition for refugees in Germany.

Our corporate citizenship activities are systematically captured and measured according to the globally recognized LBG model. The percentage of long-term strategic involvement, i.e. investments in local communities, increased to 62%. The percentage of charitable contributions reached 12% and the percentage of commercial initiatives was roughly 26%. These developments reflect our strategy of investing primarily in long-term local community projects.

Corporate citizenship is one of the key drivers of employee engagement across the Group. All of our corporate citizenship programs, along with our refugee aid activities, are highly regarded by both employees and external stakeholders. We were recognized for our corporate citizenship activities several times over the course of 2016.

In the reporting year we laid out our approach to corporate citizenship in a new Group-wide guideline, which was also published on our corporate website.

We have defined the following requirements and focus areas for our main corporate citizenship pillars:

#### Areas and focus

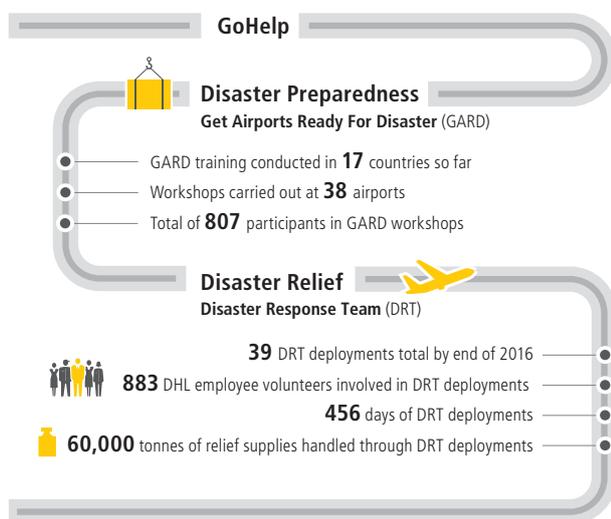
Area	Focus 2016	Status
Employee community involvement	We want to motivate as many employees as possible around the world to get involved as volunteers.	Achieved
	We plan to continuously expand and improve our refugee relief activities in Germany.	Achieved
Disaster management (GoHelp)	We want to conduct at least one DRT training session and at least one GARD workshop in each of the three main regions.	Achieved
Improving educational opportunity and employability (GoTeach)	As part of the cooperation with SOS Children's Villages and Teach For All, we want to expand activity in the partner countries and deepen our impact.	Partnership with Teach For All was extended for another three years.
<b>Focus 2017</b>		
Improving educational opportunity and employability (GoTeach)	Extend partnership with SOS Children's Villages by another three years.	

## Disaster management – GoHelp

The Group's global GoHelp program includes all emergency relief measures in the wake of natural disasters as well as disaster preparedness measures in disaster-prone regions.

Our GoHelp program leverages Deutsche Post DHL Group's logistics expertise and global logistics network to support the United Nations, making us part of a global humanitarian system. The strategic partnership between Deutsche Post DHL Group and the UN, which has existed for over ten years now, was extended in 2016 for an additional three years. Any contributions and services provided by the Group through GoHelp are free of charge.

### Disaster management at Deutsche Post DHL Group ✓PwC



GoHelp provides disaster management support to airports, enhancing logistics know-how and professionalism in two ways:

- As a preventative measure, our GARD workshops (Get Airports Ready for Disaster) prepare airports in disaster-prone regions for the possibility of a disaster-related emergency response (disaster preparedness).
- Disaster Response Teams (DRTs) provide emergency aid and ensure that the arriving relief supplies are managed efficiently and received by the authorized aid organizations (disaster response).

Both GoHelp programs (GARD and DRT) are very well received and respected both inside and outside the company.

## DISASTER PREPAREDNESS: GET AIRPORTS READY FOR DISASTER

We developed the Get Airports Ready for Disaster (GARD) program based on our longstanding experience in disaster management. In cooperation with the United Nations Development Programme (UNDP), GARD helps prepare personnel at airports and relevant organizations such as airlines, aid organizations, disaster management authorities and other local authorities for the logistical challenges associated with disaster relief efforts. In this way, GARD helps improve and professionalize the processing of large volumes of relief supplies and passengers.

The GARD program consists of multi-day workshops in which participants evaluate airport capacity, conduct risk assessments and develop individualized emergency response plans under the guidance of our air freight experts. The follow-up module "GARD plus" includes a test run of recommended measures six to twelve months after the initial GARD training. This ensures that emergency response plans remain up-to-date and can be deployed immediately.

GARD trainers and GARD materials are provided by Deutsche Post DHL Group free of charge. UNDP is responsible for project implementation as well as coordination with the government agencies. It also handles organization of the GARD workshops and covers logistics costs. Funding from Germany's Federal Ministry for Economic Cooperation and Development (BMZ) helps support the work of the UNDP.

So far GARD workshops have been conducted at 38 airports in disaster-prone regions in Armenia, Bangladesh, the Dominican Republic, El Salvador, India, Indonesia, Jordan, Lebanon, Mauritius, Macedonia, Nepal, Panama, Peru, the Philippines, the Seychelles, Sri Lanka and Turkey. Five of these workshops took place in 2016: in India, Indonesia, Jordan, Mauritius and the Seychelles. In all, more than 800 participants received training in disaster management.

## DISASTER RESPONSE TEAMS PROVIDE EMERGENCY RELIEF

In cooperation with the United Nations Office for the Coordination of Humanitarian Affairs (OCHA), we have established a network of over 400 trained DHL employees who serve in our Disaster Response Teams (DRT) on a volunteer basis. We have three regional DRTs located in Dubai (for deployment in the Middle East and Africa), Panama (Americas) and Singapore (Asia Pacific). When called upon by the UN, DRTs can be deployed to disaster areas within a maximum of 72 hours and provide free and immediate logistics support at main relief airports. DRT volunteers lend their logistics expertise to coordinating incoming relief supplies, preparing goods for further transport and ensuring delivery to the responsible relief organizations.

Since the launch of the partnership with UNOCHA, DRTs have been deployed over 39 times around the world – most recently to Haiti in the wake of Hurricane Matthew in October, after the severe earthquake in Ecuador in April and after Cyclone Winston struck Fiji in February 2016.

We provide regular follow-up training to make sure our DRT volunteers are prepared for the extraordinary demands of such deployments. In 2016 over 100 employees took part in these training events, and in 2017, we plan to conduct at least one training in each of the three DRT deployment regions.

### Coordinated arrival of relief workers

In 2016 the United Nations requested that we take on an additional role in the area of disaster relief. DHL volunteers who are not members of a DRT will provide support to the UN's Reception and Departure Desk which manages incoming relief workers at airports. The job of our volunteers will be to supply incoming relief workers with the information they need most so that they can exit the terminal and reach their deployment sites as quickly as possible. We have developed a training concept for this new role and have already used it to train the first group of DHL employees in Asia.

## Improving educational opportunity and employability – GoTeach

With our Group-wide GoTeach program we improve educational opportunity and employability for young people, especially those from disadvantaged socio-economic backgrounds. We have good reasons for doing this. As one of the world's largest employers, we rely on access to highly qualified employees around the world. Education is fundamental to Deutsche Post DHL Group's innovative capacity and productivity. It is the basis for greater stability and prosperity – for individuals, for markets and for societies as a whole. GoTeach supports one of our primary goals as a company: to become Employer of Choice. At the same time, it helps build and maintain a stable market environment.

For all of our GoTeach activities, our employees share not only their time but their own individual skills and experiences. Our strategic, global partners are SOS Children's Villages and the educational network Teach For All.

### PARTNERSHIP WITH SOS CHILDREN'S VILLAGES

Deutsche Post DHL Group's global collaboration with SOS Children's Villages dates back to 2010 and today includes partnerships in 26 countries. The main focus of the Group's involvement is to provide support to young people between the ages of 15 and 25 as they make the transition to working life. Along with financial support for educational programs and youth facilities, our activities focus on career guidance, teaching basic professional skills, providing young people with their first exposure to the work environment, and supporting them in their own start-up ventures. The goal is to enhance their employability and increase their chances of becoming independent, self-supporting young adults. In 2016, more than 1,000 employees devoted over 22,000 hours of their time to our partnership with SOS Children's Villages. Some 2,000 young people received assistance, over 44 completed internships within the Group, and at least 28 were offered employment contracts.

In the reporting year, we worked together with SOS Children's Villages on a system that allows us to share experiences gained from the partnership with all country-level SOS Children's Villages organizations around the world.

The goal here is to enable SOS Children's Villages to work with other companies around the world, i.e. independently from Deutsche Post DHL Group, on additional programs that support young people in their transition from school to working life.

the further expansion of the Teach For All network globally, and to support the selected partner organizations in their work on the local level. Since 2009, Deutsche Post DHL Group has been the main sponsor of the Teach First Deutschland initiative, with which we also collaborate on refugee aid.

## PARTNERSHIP WITH TEACH FOR ALL

Teach For All is a global network whose mission is to improve educational opportunity around the world. Deutsche Post DHL Group has partnered with Teach For All in pursuit of a common goal: to give all children and youths access to an excellent education, regardless of their socio-economic backgrounds. In the reporting year the partnership was extended an additional three years.

The worldwide Teach For All network consists of 40 independent, locally managed and financed partner organizations working to improve educational opportunity in their respective countries. The partner organizations' core focus is to recruit and train exceptional university graduates to take on two-year assignments as teachers in high-need schools. In doing so, they not only support children and young people in their academic development, but often inspire teachers participating in the program to remain active advocates of educational opportunity in their local communities. Since the founding of Teach For All in 2007, the network has already deployed over 75,000 teachers in schools around the world and reached over nine million school-aged children. After completing their teaching assignment, some 60% of the nearly 50,000 alumni continue their work on behalf of educational opportunity – both inside and outside the classroom.

As part of the partnership, Deutsche Post DHL Group supports the global organization Teach For All as well as ten national-level partner organizations within the Teach For All network. In November 2016 the first Teach For All regional conference was held in Latin America, providing partner organizations and DHL employees in Argentina, Chile, Ecuador and Peru with an excellent platform for dialogue and exchange.

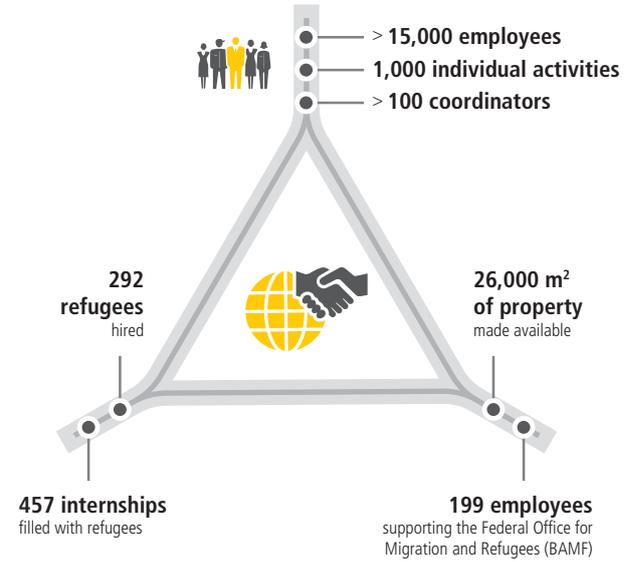
The Group supports the Teach For All network financially and through the involvement of our employees. In 2016 more than 2,300 employees contributed their experience and professional know-how to over 169 partnership activities. The funding provided by Deutsche Post DHL Group to Teach For All is designed to support

## Refugee aid in Germany

Deutsche Post DHL Group is actively involved in refugee aid. In 2016 the Group made an important contribution to the integration of refugees in Germany, relying on the tremendous support and involvement from our employees as well as close collaborative partnerships with leading aid organizations. We focus our support on longer-term refugee integration programs, with an emphasis on language acquisition and vocational preparation and training. In the reporting year the Group was recognized multiple times for its involvement in refugee aid.

Deutsche Post DHL Group’s refugee aid efforts rely on partnership with leading aid organizations. The Group also partners with additional NGOs nationwide.

### Refugee aid initiative at Deutsche Post DHL Group



### Cooperation with partner organizations

Organization	Activities
Teach First Deutschland	<ul style="list-style-type: none"> <li>Job application and interview training, office/site tours, bicycle repair shop, classroom renovations, integration guides, student internships</li> </ul>
Aktion Deutschland Hilft	<ul style="list-style-type: none"> <li>Various local activities with member organizations within the Aktion Deutschland Hilft coalition, including Malteser International and the Workers’ Samaritan Federation (ASB), Berlin</li> </ul>
Wir zusammen	<ul style="list-style-type: none"> <li>A coalition of over 160 organizations that bundle their refugee aid efforts through a common platform</li> </ul>
InCharge	<ul style="list-style-type: none"> <li>Mentoring program with language modules and support</li> </ul>
Association of German Chambers of Commerce and Industry (DIHK) network “Unternehmen integrieren Flüchtlinge” (Companies integrate refugees)	<ul style="list-style-type: none"> <li>Nationwide platform for companies involved in refugee aid</li> </ul>

**Integrating refugees into the jobs market**

In the reporting year Deutsche Post DHL Group offered internships to 457 refugees. A total of 292 refugees – including individuals from Eritrea, Rwanda, Syria and Togo – received employment contracts from us over the course of the reporting year; 134 of these were offered after successfully completing an internship with us. Eighteen refugees began apprenticeships with us after completing an internship or other entry-level qualification.

The Group remains committed to its work in the area of refugee aid. With targeted measures to promote language learning it helps refugees build a foundation for the transition to working life and successful integration into society. The Group will also continue providing financial support for refugee aid.

**Infrastructure for employee engagement**

In the reporting year we established infrastructure to further facilitate employee engagement on behalf of refugees. As part of this, a nationwide network of 100 volunteer coordinators was mobilized to facilitate the efforts between employees, aid organizations, government authorities/agencies, and local communities. We also used our internal communications channels to establish platforms for dialogue and exchange among active employee volunteers.

Employees have responded positively to our refugee aid initiative. Around 15,000 employees participated in more than 1,000 different activities, including donation drives, language learning, recreational activities or supporting refugees in dealings with the authorities. We provided additional support to our employee volunteers by conducting informational events for integration guides and reading/language “buddies”, who also received special reading materials.

**Manpower support for government authorities**

In the reporting year 199 of our employees volunteered to support the Federal Office for Migration and Refugees (BAMF) in their efforts to organize volunteer activities and establish a pool of potential volunteers.

**Space for refugee housing**

In the reporting year there was a significant decrease in the demand for space for refugee housing. Of the roughly 100,000 square meters of property made available by the Group for refugee aid/housing, some 26,000 square meters – including properties in Euskirchen, Stuttgart, Hamburg, Bonn, Oschatz and Elmshorn – were used for this purpose.

## Employee community involvement

Deutsche Post DHL Group expressly supports community involvement on the part of employees, which is regarded as a fundamental principle of our corporate culture. Through their volunteer work, employees come into contact with worlds beyond their own, broaden their horizons and improve social competencies – all of which translates into greater engagement and motivation in the workplace.

### GLOBAL VOLUNTEER DAY

Since its inception in 2011, Global Volunteer Day (GVD) has become a major component and driver of employee volunteer work across the Group. GVD provides a platform for employees to realize community projects in close collaboration with independent local organizations and charities. Volunteer work in the context of GVD is not limited to a single day or single project, but is designed to promote lasting ties between our employees and the many local non-profits and charities in which they are involved. As part of our Group-wide “Certified” initiative, executives and managers are also made aware of the important part they play in supporting GVD activities.

In the reporting year once again more than 100,000 employees got involved in charitable projects in their communities as part of GVD, with some 76,000 of these employees actively participating in projects. In all, employee volunteers gave approximately 365,000 hours of their time to over 2,490 projects around the world, which means a

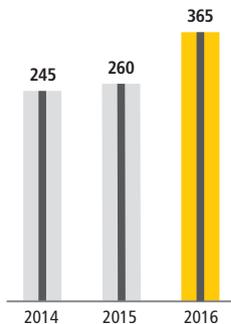
steady increase in both employee participation and the diversity of projects supported. As in 2015, we once again used the LBG model for measuring GVD participation levels in 2016.

### FINANCIAL SUPPORT FOR EMPLOYEE PROJECTS

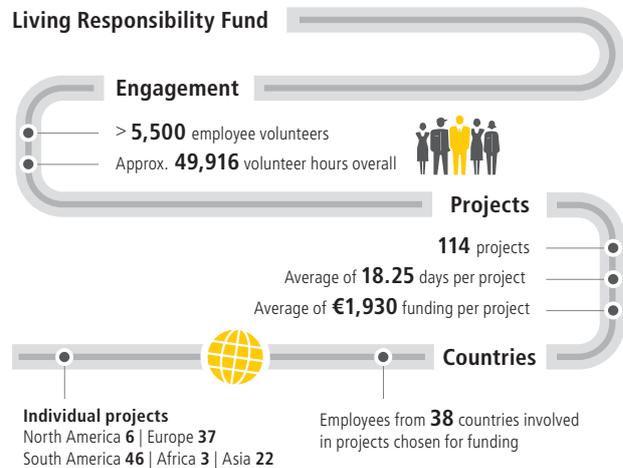
We also use our Living Responsibility Fund to provide financial support to outstanding volunteer projects involving our employees. Drawing from Group funds, we provide grants to a diverse range of partner organizations and their local projects around the world each year. In order to qualify for financial support, at least two Group employees must volunteer a total of more than 50 hours of their time to the given partner organization over the course of one year. Projects in which employees invest more than 400 hours are eligible to receive a maximum of €4,000. The exact amount of funding awarded is based on the total number of volunteer hours over the course of the application year. Our goal is to support employees who demonstrate lasting commitment to social or environmental causes and serve as models for their fellow colleagues.

The LR Fund jury, which selects projects to receive funding, includes representation from all Group board departments. In 2016 funding was awarded to 114 employee projects in 38 different countries. More than 5,500 employees volunteered approx. 50,000 hours of their time to these projects – the equivalent of over 6,200 eight-hour work days. In the reporting year the LR Fund provided a total of €220,000 in financial support.

Global Volunteer Day: Volunteer hours (thousands)



Financial support for employee volunteer projects in 2016



## EMPLOYEES SUPPORTING EMPLOYEES

Our internal relief fund “We Help Each Other” (WHEO) is testament to the team spirit and solidarity among Deutsche Post DHL Group employees. WHEO is funded by individual employee donations or larger employee donation drives and provides financial support to fellow Group employees who are victims of a natural disaster. In the reporting year 128 employees across nine countries received financial support from the fund.



## INTERVIEW

» Here at Deutsche Post, people from many different backgrounds and cultures have long worked together in an exemplary way – they help one another and see each other as equals, as colleagues. It is with that matter-of-fact attitude that many employees are now coming forward to help refugees.

«

JÜRGEN GERDES

MEMBER OF THE BOARD OF MANAGEMENT  
POST - eCOMMERCE - PARCEL

## Interview with Jürgen Gerdes

**“Innovation is part of our DNA.”**

**In the past year Deutsche Post has been actively involved in refugee aid activities in Germany and received, among other accolades, the German CSR Award. The Group intends to continue efforts to promote integration and offer vocational support for refugees. What will you be focusing on in the coming year?**

All of our social engagement projects are of a long-term nature. We want to achieve lasting results and that naturally applies to refugee aid. That is why we will continue to focus on language acquisition and vocational preparation – the two areas we felt were of particular importance from the start. The fact that at our company alone, more than 450 refugees have been given internships to help them integrate into the German employment market and nearly 300 have been given jobs testifies to our success. We intend to continue along these lines. That includes extending our close cooperation with organizations like the German Reading Foundation (Stiftung Lesen) and working even more intensively with the Federal Employment Agency and other DAX companies like ourselves. We need to provide more and better support for refugees who received no formal training in their home countries and now face the tremendous challenge of starting a new life.

**In order to be effective, the integration offerings largely rely on employee engagement. How do you motivate employees to become volunteers and are there any refugee aid activities of which you are particularly proud?**

To be honest, we really don't need to motivate our employees. Right from the outset, staff at every single branch and at almost every one of our sites in Germany – a total of over 15,000 employees – took the initiative to become actively involved. Here at Deutsche Post, people from many different backgrounds and cultures have long worked together in an exemplary way – they help one another and see each other as equals, as colleagues. It is with that matter-of-fact attitude that many employees are now coming forward to help refugees. So one of the things I am particularly proud of is our team of over 100 coordinators. In addition to performing their everyday work, they do a fantastic job of promoting more than 1,000 refugee aid projects and activities. Their work makes an important difference!

**Apart from social engagement, your division also focuses on environmental protection – a topic of both social and business relevance. In 2016, Deutsche Post achieved a success story with the introduction of the StreetScooter and carbon-neutral deliveries. Can we expect to see more smart innovations made by Post - eCommerce - Parcel and will employees be involved in their making?**

Yes, of course. Innovation is part of our DNA and we have found it fruitful to involve employees, many of whom played an active role in the StreetScooter's development and design. Putting the environmental aspect aside, the StreetScooter is essentially a tool that is designed to optimize the support we provide to our employees as they perform their work each day. And it works so well, not least in terms of its ergonomic design, because during the development process a large number of couriers provided input on their needs and ideas. This is also the case with our other innovations and enhancements in the area of environmentally-friendly delivery. Thousands of our employees make their deliveries either on foot or by bicycle and a growing number now do so using electric delivery carts, e-bikes and e-trikes designed and built by us. Before these and other newly-developed items like rainwear are approved for mass production, they are tried and tested by the people who will actually use them. What this all comes down to is our ambition to provide innovative customer services, develop innovative working tools and lead the logistics sector in both of these fields.

**Deutsche Post benefits especially from the growth in online trade. Does this have a proven, positive impact on the environment? In other words, how environmentally friendly is shopping online?**

Linking this to the StreetScooter, I repeatedly stress the environmental aspects in many of my talks. I say, yes, we're seeing growth in online shopping and that means growth in parcel volumes and in the logistics network needed to cope with it all. If you approach this properly and keep coming up with new ideas the way we do at Post - eCommerce - Parcel, more parcel deliveries need not mean more pressure on the environment – and especially

not when final-mile delivery involves battery-operated vehicles. Our parcel logistics approach has long been both innovative and forward-looking. Take our Packstations. We have around 3,000 located throughout Germany and customers find them both practical and convenient. But looking at them from a different angle, they are also extremely environment friendly. If a recipient asks us to place a parcel in a Packstation, that's a parcel that no longer needs to be delivered to their front door. Nor does it have to be taken back to a retail outlet for the recipient to collect at a later date because they were not at home when the courier called. Other offerings such as the Paketkasten parcel box, preferred location and preferred time delivery are all part of that same innovative approach. They make customers' lives much easier and ensure that parcels arrive at their destination in the most environmentally friendly way.

**The title of the 2016 Corporate Responsibility Report is "Seeing the bigger picture". What aspects of responsible business management will you be concentrating on in 2017?**

Looking at the big picture, I naturally have our corporate strategy in mind and particularly the GROW component. Our e-commerce and parcel business is seeing strong and sustainable growth. That was particularly evident in the record figures seen around Christmas. So I'll be concentrating on continuing to create the conditions needed to foster that growth in a responsible way. For instance, by equipping more and more sites in Germany with StreetScooters and other modern electric vehicles – and by further optimizing our sorting logistics. This is something we have done at our new parcel center in Obertshausen – it's truly a benchmark site in environmental terms.