

Changing ways

environment
employees
society



Changing ways

More than
500,000
employees

We operate in
over 220
countries and
territories

Climate change, health, education, economic development: Deutsche Post DHL is tackling these global priority areas. They have a fundamental impact on our business. As the world's leading transport and logistics company, we are at the heart of global trade. We connect people and businesses. To do this we employ over 500,000 people to deliver our customers' letters and goods by air, sea, and land to people in over 220 countries and territories. Undeterred by short-term economic pressures, our focus is fixed firmly on becoming a leader in sustainable logistics.

This report explains how we are changing ways in our three sustainability focus areas: environment, employees, and society. By championing new ways of working we want to lead our industry, and to be the first choice for our customers, our employees and our shareholders. We believe we have already made good progress, and remain committed to doing more.

Structure of Deutsche Post DHL

Deutsche Post DHL

Deutsche Post DHL

Deutsche Post DHL is the world's leading mail and logistics services Group. The Deutsche Post and DHL corporate brands offer a one-of-a-kind portfolio of logistics (DHL) and communication (Deutsche Post) services. The Group offers its customers easy-to-use standardized products as well as innovative and tailored solutions – from dialog marketing to industrial supply chains. Over 500,000 employees in more than 220 countries and territories form a global network focused on service, quality and sustainability. The Group is socially responsible, with programs in the areas of environment, disaster management, and education. In 2008, Deutsche Post DHL revenues exceeded €54 billion.

Deutsche Post

Deutsche Post

Deutsche Post is Europe's largest mail services operator, market leader in the German mail and parcel market, and a global player in international mail delivery. With its powerful Deutsche Post brand, the company continues to enhance its status as "Die Post für Deutschland". The portfolio ranges from standardized products to tailored solutions for private and business customers in the areas of mail communication, dialog marketing, and parcel transport. Deutsche Post will continue to forge ever closer links between physical and electronic communications and, in so doing, strengthen its position as a one-stop provider of secure, simple, and reliable communications.



DHL

DHL is the global market leader in the logistics industry and "The logistics company for the world". DHL commits its expertise in international express, air and ocean freight, road and rail transportation, contract logistics and international mail services. A global network composed of more than 220 countries and 310,000 employees worldwide offers customers superior service quality and local knowledge to satisfy their supply chain requirements. DHL accepts its social responsibility by supporting the environment, disaster management, and education.



www.dp-dhl.com/group
www.dp-dhl.com
www.deutschepost.com
www.dhl.com

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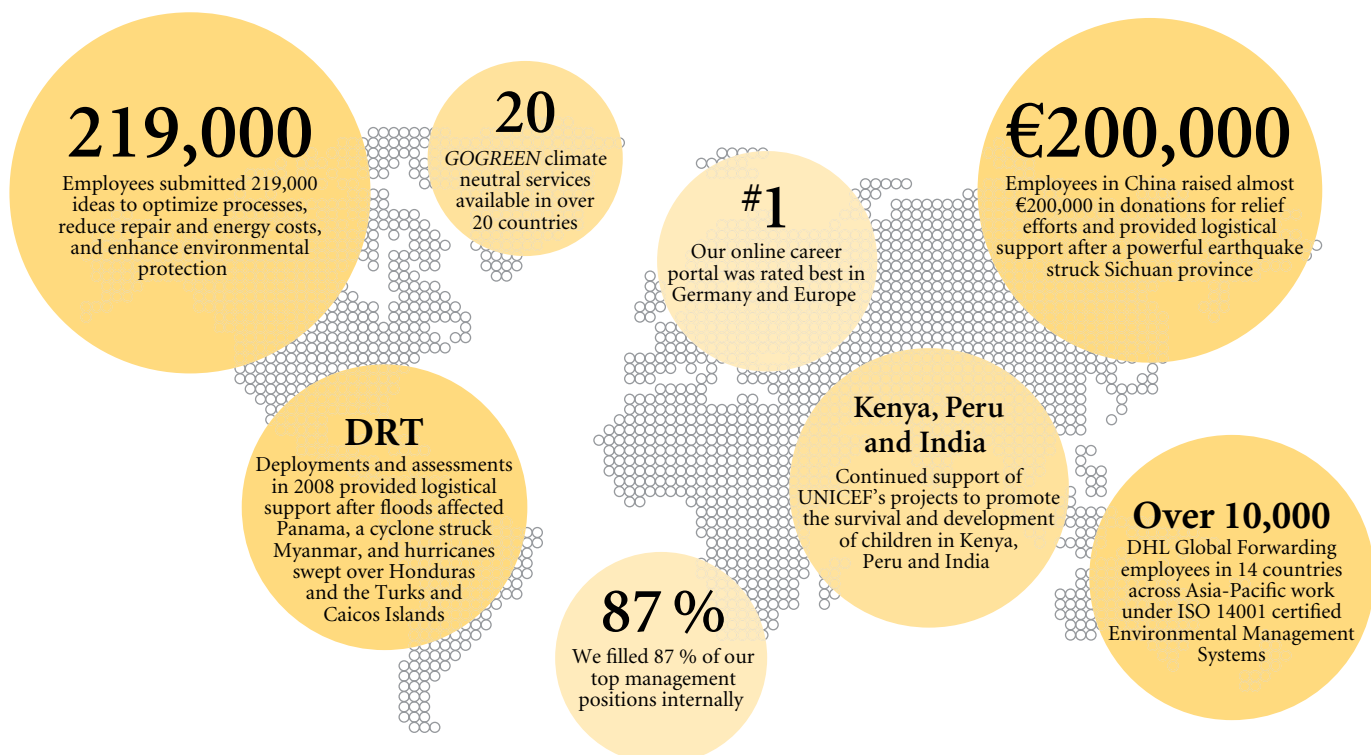
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Changing ways worldwide



Changing ways

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About this report

Report key



Challenges

Facts, trends, and developments that affect our ability to improve performance in key areas of sustainability.



Achievements

Notable examples of the progress we made in 2008 toward our sustainability goals.



Targets

What we want to achieve in the coming years.



For more information

References to websites, provided at the bottom of pages, containing background, or more detailed information. The references are correct at the time of this report's publication. Web references may change over time.

● Text with grey underline and tables, charts, and diagrams labelled with a grey dot have been reviewed by PwC.

Verification

Text with grey underline and tables, charts, and diagrams labelled with a grey dot have been reviewed by PwC.

We have published social and environmental reports since 2003. This is our third sustainability report, stating how we are changing our ways in our key sustainability areas: environment, employees and society. It covers the calendar year of 2008, and our MAIL, EXPRESS, GLOBAL FORWARDING/FREIGHT, and SUPPLY CHAIN divisions. Our FINANCIAL SERVICES division was dissolved as a result of selling Postbank to Deutsche Bank. The closing was on 25th February 2009.

The data and statements in this report that are subject to a limited assurance statement by PricewaterhouseCoopers AG Wirtschaftsprüfungsgesellschaft (PwC) are labelled with grey underscore for text or with the symbol ● at the top left-hand side of tables, graphs, or diagrams. The auditor's Assurance Report is printed on p. 54.

Further information on Deutsche Post DHL is published on our website: www.dp-dhl.com

Global Reporting Initiative

We have prepared this report with reference to the third version of the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, known as "G3", and with reference to the GRI Sector Supplement for the Logistics and Transportation Sector (www.globalreporting.org). GRI defines three levels of application for G3 in sustainability reports. The levels are C, B and A, with A being the most comprehensive level. A "plus" (+) designation signifies that a report has been assured by an external organization. We have assessed this report against GRI requirements and believe it complies with a "B+" level of application.

A GRI content index, which locates information for GRI reporting indicators, can be found on p. 52 and www.dp-dhl.com/SR2009



www.globalreporting.org
www.dp-dhl.com/SR2009
investors.dp-dhl.com



We compared the amount of GRI-recommended information in our Sustainability Report 2009 with the GRI's graded Application Levels. We think this report complies with GRI B+ requirements.

CEO foreword



Dear Readers,

We are all facing short-term economic pressure due to the current global financial crisis. Nevertheless, we need to remain committed to our shared responsibility for the further development of the communities where we work, as well as the protection of the environment we all live in.

Deutsche Post DHL is truly committed to promoting sustainable development with a clear focus on three areas: environment, disaster management, and education.

In the light of recent evidence of the serious risks from global warming, it is clearly in our long-term business interest to use energy more efficiently. As a signatory to the UN Global Compact, we continue to support its 10 principles and have recently endorsed the UN Caring for Climate statement. We are the first global logistics company to set a clear CO₂ efficiency improvement target of 30 % by 2020 and an interim target of a 10 % improvement in our own operations by 2012. We have made a good start.

But we can do more. As a global logistics company, we are often the first company to arrive on the scene to support relief efforts when major natural disasters strike. We deliver help by strengthening logistics at the airport. This speeds the delivery and distribution of aid to people in need. Our DHL Disaster Response Teams are ready to deploy anytime, anywhere. The health education and awareness projects we support with UNICEF are saving lives and helping to reduce child mortality. After a successful start in Kenya, we are now working with UNICEF to bring health services and education to villages in India and Peru.

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We are the world's leading logistics company with employees in almost every major community on this planet. As such we have a special responsibility to use our core competencies to benefit society and to minimize our impact on the environment.

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Logistics is a people business and we see recruiting and developing employees with the necessary skills, motivation, and a diversity of talents as a strategic investment and a competitive advantage. In the field of education, we therefore support initiatives that improve people's employment perspectives and raise the standard of education in communities where we do business. As part of this commitment, we entered into a partnership with Teach First Deutschland this year.

We see ourselves as a pioneer and pacesetter in providing sustainable solutions for our customers, employees, and the communities where we are present.

In addition, we have, in our Code of Conduct, specifically stated our position in relation to the issues of bribery, corruption, and conflicts of interest. Our Group is hence complying with international anti-corruption standards as set out in the Global Compact and in relevant international legislation. Since the beginning of 2009, we are a member of the Partnering Against Corruption Initiative (PACI), a joint initiative launched by the World Economic Forum, Transparency International and the Basel Institute on Governance, which has set itself the goal of developing cross-industry and cross-border principles and practices based on integrity, fairness, and ethical conduct as a means of countering bribery and corruption.

The following pages will give you an overview of the multitude of activities that we have already started as we change our ways.

Thank you for your interest and trust in our commitment.

Sincerely,
Frank Appel
Chairman of the Board of Management

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- 08 Putting principles into practice
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**Top
ranked**

Highlights

We are the only transport and logistics provider in the 2008 Carbon Disclosure Project's Global 500 Leadership Index.





Challenges

We continue working to improve our sustainability-related performance amid pressures on revenue and profitability, and volatility in our fuel costs.



Achievements

During 2008, we launched our global GoGreen climate protection program, improved management of health risks, and kept road accidents at an overall low.



Targets

Improving our CO₂ efficiency, further improving our approach to diversity, and closer alignment of social investment to our core business, are among our key priorities.



Working to change

Around the world, our more than 500,000 employees are busy working on behalf of our customers. They are guided by our Corporate Values and a binding Code of Conduct. Our Sustainability framework and programs play a key role: helping us to accept our responsibilities and change our ways.

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As part of our climate protection program, GoGreen, we are testing electric cars and trucks.

A year in review

New ways of working, new technologies, and new ideas move forward the debate surrounding the key sustainability issues related to logistics and transport. So we continue changing our ways. In 2008, we faced a number of challenges. In some areas we made good progress. But we still have considerable work to do, and more to learn.

Achievements

• We took significant steps to improve the CO ₂ efficiency of our business. In April 2008, we launched GoGreen, our Group-wide climate protection program. We made climate-friendly products and services available to more customers in more regions. To improve fuel and CO ₂ efficiency, we continued our air and road fleet replacement program.	p. 14
• The percentage of our employees working under ISO 14001 certified Environmental Management Systems increased to approximately 46 % in 2008.	p. 15
• We conducted a global Employee Opinion Survey and the participation rate increased to 76 %.	p. 31
• With the help of our Global Road Safety Initiative, we kept road accidents affecting employees at an overall low level.	p. 34
• We successfully implemented our Corporate Health Policy; we improved both our management of health risks and related performance measurement.	p. 34
• We started incorporating our Supplier Code of Conduct into our new standard contracts from 2008; this process will continue.	p. 23
• Two hundred trained volunteers of the Disaster Response Teams (DRTs) are ready to deploy anywhere, anytime. They help the United Nations and national governments keep aid moving to survivors of sudden-onset natural disasters. We renewed our partnership for another two years.	p. 46

Challenges – and how we plan to face them

• The global economic slowdown affects customer demand for our services. Despite short-term economic challenges, we will continue to work on improving our sustainability-related performance in all areas.	p. 03, 18
• Our operations are susceptible to increased costs as a result of higher fuel prices. Our investments in fuel-efficient technologies to reduce our dependency on fossil fuels will reduce this risk. Further, we advise customers on less energy-intensive modes of transport, such as sea and rail.	p. 16-19
• Demographic change sharpens the competition for qualified employees. We need to reach out to a more diverse group of young talented people, keep experienced workers, and offer flexibility for employees balancing work with other responsibilities.	p. 28-29
• Many of our operations have a high reliance on transport services provided by subcontractors. These make a major contribution to our environmental footprint. Constructive engagement with our subcontractors is therefore an important part of our GoGreen Program.	p. 14-21
• In supporting solutions to major societal challenges, we want to make a difference. With refreshed corporate social responsibility programs in 2009, we encourage our employees' participation and recognize their commitment to society.	p. 38



www.dp-dhl.com/future



Our Disaster Response Teams received the "People of the Year" award from German logistics magazine *DVZ Deutsche Logistik-Zeitung*.



Selling stamps via cell phones, an employee's idea, won the 2008 best national idea award from the German Institute for Business Management (*dib*).

Sustainability ratings

Increasingly, investors and analysts scrutinize our sustainability performance: how we assess and manage the non-financial aspects of our business. Here is a summary of how they rated our performance.

Rating agency and Rating/Indices	Our 2008 score	Comments
AccountAbility 2008 AccountAbility Rating	48.1 (out of 100)	We ranked 46th out of 100 companies. The average score of the Global 100 is 45.4.
Bank Sarasin/Deutsche Börse AG DAXglobal® Sarasin Sustainability Germany Index 2008	Listed	
Climate Counts Climate Counts Company Scorecard 2008	67 (out of 100)	We ranked 11th in the overall ranking and lead the Consumer Shipping sector.
Carbon Disclosure Project (CDP 6) 2008 Carbon Disclosure Global 500 Leadership Index (CDLI)	66 (out of 100)	We have been rated as the best performer in the Logistics and Transportation sector. The best score in the CDLI is 82.
EIRIS (Ethical Investment Research) and imug (Institut für Markt-Umwelt-Gesellschaft e.V.) 2008 FTSE4Good Europe Index FTSE4Good Global Index	Listed	We remain listed in the FTSE4Good Index series.
Innovest Strategic Value Advisers/Corporate Knights, Inc. 2008 Global 100 Most Sustainable Corporations in the World in 2008	Listed	
KLD Research and Analytics 2008 KLD Global Climate 100 SM Index KLD Global Sustainability Index KLD Global Ex-US Sustainability Index KLD Europe Asia-Pacific Sustainability Index KLD Europe Sustainability Index	Listed	
One World Trust 2008 Global Accountability Report Ratings	42 (out of 100)	We ranked 8th among trans-national corporations and 25th in the overall 2008 rank.
Sustainable Asset Management (SAM) 2008 Dow Jones Sustainability Index (DJSI) series	Not listed 65 (out of 100)	The industrial transport sector average score was 53. DJSI World Index entry level was 70. DJSI STOXX Index entry level was 78.
Vigeo 2008 ASPI – Advanced Sustainable Performance Indices	Listed	



www.accountability21.net
deutsche-boerse.com
www.sarasin.ch
www.climatecounts.org
www.cdproject.net

www.ftse.com
www.eiris.org
www.imug.de
www.global100.org
www.oneworldtrust.org

www.sustainability-index.com
www.sam-group.com
www.kld.com
www.scoris.de
www.vigeo.com

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Our Corporate Values, together with a binding Code of Conduct, guide the daily efforts of our 500,000 employees.

Putting principles into practice

What we stand for

As a major global transport and logistics company, we are at the heart of global trade. In looking at the sustainability of our business, we focus on the environment, our employees, and our interaction with society. By changing our ways to operate more sustainably, we want to set the pace for our industry, while building value for our customers, employees, and communities.

In each of these areas, we face challenges: economic turbulence and demographic change among them. Our corporate culture and Corporate Values guide our efforts to navigate these difficulties.

Our Corporate Values

Our Corporate Values serve as the compass for our activities on a daily basis. Since their 2005 introduction, we have communicated them to all our employees around the world. They are the foundation of a corporate culture based on respect and a commitment to deliver results.

Our Code of Conduct

Additionally, we introduced a binding Code of Conduct in 2006. It contains clear guidelines that apply to every employee. The basic principles are: respect for human rights, equal opportunity, transparency, and a clear stance against forced and child labour, discrimination, bribery, and corruption. With the implementation of the Code, procedures have been set up to enable employees to anonymously report violations. Depending on the impact of the violation, reports can be addressed to local supervisors or Human Resources managers, Regional Compliance Officers within the business divisions, or our Global Compliance Office. All reports of a breach are kept confidential.

Corporate governance

As a German public limited company, Deutsche Post operates a dual management system with a Board of Management and a Supervisory Board. The Supervisory Board is made up of 10 shareholder representatives and 10 representatives elected by employees. In compliance with the Government Commission's German Corporate Governance Code, the majority of the Supervisory Board members are independent. Our Boards are obliged to declare every year that the recommendations of the German Corporate Governance Code were and will be complied with, or those recommendations that were or will not be applied.

Data protection

Anyone who works for us, has a business relationship with us, or invests in our company entrusts us with their personal data. We pay extremely close attention to confidentiality and secrecy, applying all valid terms of data protection legislation. We use information campaigns to sensitize our employees to data protection. We review adherence to data protection standards by way of ongoing internal audits. Within our international business, there is a particular focus on the security of cross-border data transfer. We have therefore developed our "Privacy Policy," facilitating a high standard throughout the Group for international data transfer.

First Choice

First Choice will help us create value for customers by delivering services that simplify their business. It is about enabling and empowering employees to streamline processes at specific touch points according to customer needs. In our daily interactions, we aim to improve our customers' experience of our services. First Choice is our key platform for this change.

To date, we have familiarized 8,000 executives and some 50,000 employees with the First Choice approach. Worldwide, we had launched some 3,300 First Choice initiatives by the end of 2008.



www.dp-dhl.com/sustainability
www.dp-dhl.com/firstchoice



With some 3,300 initiatives, we improve customer experience through our First Choice program.



We have a partnership with Teach First Deutschland to bring tomorrow's leaders into the classroom and help promote equal educational opportunities.



Tackling the causes of climate change is our number one environmental priority.

How we set our priorities



We keep our strategies in key sustainability areas under constant review. And we improve them as we learn more about the challenges we face. The summary below sets out our strategic priorities and outlines some of our key activities. More detail is provided in the chapters that follow.

Environment

Our operations, from the construction and maintenance of our facilities to the operation of our vehicles and aircraft, obviously impact the environment.

We tackle all aspects of our impact by improving environmental management standards in our operations, and by sourcing more sustainably.

We place a strong focus on carbon emissions as they pose a severe threat to the environment, and the economy. Our GoGreen Program is our framework for responding. We are examining every dimension of how we work to improve our CO₂ efficiency. We introduce new technology, mobilize our workforce, and track how we are performing against our base year of 2007.

Our GoGreen Program is led by a Steering Committee, chaired by our Chairman, Frank Appel.

Employees

In globalized markets, and in keeping with demographic change, attracting, developing, and retaining employees with the requisite qualifications and motivation are strategic necessities.

We support people to behave in ways that promote good health, and ensure that our workplaces are safe. To facilitate learning from one another, we develop Group-wide networks for exchanging information, experience, and best practice.

Everyone should have the chance to develop their abilities and potential – irrespective of age, gender, disability, ethnic and social background, or sexual orientation. We promote a working environment that is free from discrimination.

With all we do, we lay the groundwork for our employees to make the best possible contribution to the Group's success.

Society

Accepting social responsibilities is one of our Corporate Values and a part of who we are: a global company with local activities worldwide. We want our investment in communities to deliver measurable benefits for society. And we believe that our commitment to communities supports our long term business success.

Our employees have a long tradition of responding to local needs. In response to a need for our logistics skills and our employees' know-how, we have decided to support non-profit organizations in the fields of education, the environment, and disaster management.

We work with UN OCHA and the UNDP to keep aid moving through airports after natural disasters, and with UNICEF to promote health awareness. New initiatives are being developed to expand our commitment to education and to better promote community investment projects.

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We received the DuPont Safety Award 2008 in the Innovative Approach category for our Group-wide traffic safety initiative: Global Road Safety.

Listening and measuring

We recognize that we are not just accountable to shareholders but to a wider community of stakeholders. We listen to and communicate with people impacted by our business to understand their views and to share ours. This can be a catalyst for solving our sustainability challenges. We assess our impact on the environment, the people who work for us, the communities of which we are a part, and our relationship with our customers around the world, to ensure we meet our goals.

Understanding our stakeholders

Engaging with groups that influence, or that are affected by, our business helps us to identify sustainability issues and to plan our programs accordingly. At regional, national, and local levels, we maintain contact in many different ways with a range of stakeholders as a matter of good business practice.

Tracking customer satisfaction is routine. We discuss policies relevant to our activities with policy-makers. With our employees, our internal dialog builds on employee surveys, Q&A sessions, publications, networks and our intranet. We also foster openness and constructive communication with employee representatives, such as trade unions and works councils.

We also gain insights into external views of our business and industry through involvement in partnerships and cross-industry initiatives. These include:

- World Economic Forum Logistics & Transportation Sustainability Initiative (WEF L&T SI)
- World Business Council for Sustainable Development (WBCSD)
- 3C – Combat Climate Change – A Business Leaders’ Initiative
- United Nations Global Compact and the United Nations Caring for Climate statement
- B.A.U.M. e.V. (German Environmental Management Association)
- Global Business Coalition on HIV/AIDS, Tuberculosis and Malaria.

During 2008, we integrated feedback from several multi-regional and global surveys conducted internally and externally. Among them were:

- the 13th annual “Third Party Logistics study – The State of Logistics Outsourcing”, which we supported. It looked at trends in our sector based on the views of more than 1,600 logistics customers. Ninety-eight percent of participants agreed that

“green” supply chain initiatives are important to the future of their company. The study identified ways to overcome common barriers to wider adoption of green products. The insights are being considered in the further development of our *GOGREEN* climate-friendly products and services

- our Group-wide Employee Opinion Survey, which measures employee engagement and other important dimensions of our corporate culture. In 2008, our global survey generated a 76 % response rate. This is an improvement of eleven points over the last survey, demonstrating that the survey enjoys a high level of acceptance among employees as a feedback tool. We plan to repeat the survey annually, so that we can make progress measurable and visible. Fifty-six percent of all participants responded positively to the question “I am aware of activities my company is taking to be socially responsible”. Sixty-two percent responded favourably to the question “My company is making an honest effort to be a more environmentally-friendly company”
- a targeted survey among over 1,300 of our senior managers, about our CSR programs. The 40 % response rate indicates their high interest in helping us meet our sustainability goals. Feedback about our programs showed the relevance of CSR for our business and was generally supportive. Managers also suggested improvements in how we communicate our programs internally. These are encouraging contributions to our effort to increase involvement among employees.

Improving our measurement

We report on a set of key performance indicators which allow us and our stakeholders to benchmark our progress. We are constantly refining how we collect data in order to improve transparency. The data we are able to audit and publish is most robust for our home market of Germany, but we took steps toward improving wider global data reporting during 2008.

We calculated our global carbon footprint, including our subcontracted transportation services, for 2006, and then carbon efficiency indicators for 2007 and 2008. We will use 2007 as the baseline to measure changes to our CO₂ emissions and efficiency. Different parts of our business contribute to our overall footprint through very different types of energy consumption, and we have different levels of control over reducing it. Our method for measuring in this context is explained on p. 20 and 21. We are also working to improve our reporting capabilities of other environmental performance indicators.



www.weforum.org
www.wbcscd.org
www.combatclimatechange.org
www.unglobalcompact.org

www.baumev.de
www.gbcompact.org
3plstudy.com



Becoming a signatory to the United Nations Caring for Climate statement marks our continuing commitment to tackle this global challenge.

62 %

62 % of our employees say that we are making an honest effort to be a more environmentally-friendly company.



Third Party Logistics study: 98 % of respondents agreed that “green” supply chains are important for their business.

We are pleased to note progress in most of the major areas of health promotion and occupational safety. In order to manage and optimize our worldwide activities, we have established a reporting and analysis system of health and safety performance indicators. However, we continue to refine the indicators we report against, and to expand coverage beyond our operations in Germany.

To date, we have not been able to present consolidated global data on our community investment programs in our Sustainability Reports. We are developing ways to measure our contribution and our impact for communities consistently across the many hundreds of projects our business divisions support. We intend this to enable publication, and steady improvement, of global data.

Outlook: the road ahead

In 2009 and subsequent years, our stakeholders can expect:

- a continued drive to reduce our dependence on fossil fuels throughout our operations. To do this, we will need to overcome obstacles relating to the fledgling status of alternative fuel and renewable energy supplies, pressure on costs arising from the

current economic situation, and our need to engage and bring along our considerable subcontractor fleet in the effort. 2012 is our next milestone. By then we hope to see carbon efficiency improved by 10 % in our own operations and improvements in our subcontractors' performance

- the evolution of our approach to diversity and an effective management of risks related to demographic changes. We will continue our efforts to attract, develop, and retain talent. Moreover, we will strike out on new paths in recruiting and further develop our innovative “Discover Logistics” initiative. We will proceed with embedding our Corporate Health Policy and our Road Safety Code across our Group
- a clear focus for our social responsibility program on education, the environment, and disaster management. As part of our commitment to education, we are supporting the development and launch of Teach First Deutschland in 2009. In all of our programs, we will work toward clear objectives, further align volunteering platforms to our core business, and improve transparency about what we do and what we achieve for society and our business.

Awards

GreenFleet Award 2008, TÜV-SÜD Germany, for Deutsche Post AG

Green Supply Chain Award 2008, Supply Chain Asia Logistics Awards, for DHL Global Forwarding

Innovative best practice example commendation, German Federal Ministry of Transport, for our joint pilot project with Bremen City Council that developed Germany's first loading zone exclusively-reserved for environmentally-friendly vehicles

Commended Company 2008, Global Business Coalition on HIV/AIDS, Tuberculosis and Malaria, for distributing mosquito nets in Kenya, with UNICEF

Innovative Approach Award, DuPont Safety Awards 2008, for the Global Road Safety Initiative

German Corporate Health Award (*Deutscher Unternehmenspreis Gesundheit*), European Commission and *BKK Bundesverband* (Association of Corporate Health Insurance Funds)

“International” and “National” awards for Idea Management, German Institute of Business Management, (*dib*) 2008 Awards, for two of our employees' improvement suggestions

Best Practice Workplace Award on Labour Relations and Labour Welfare Award 2008, Thailand Department of Labour Protection and Welfare, for DHL Express Thailand

People of the Year 2008, *DVZ Deutsche Logistik-Zeitung* magazine LEO Awards, for the DHL Disaster Response Teams

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Highlights

We launched our global climate protection program, GoGreen: confirmation of our commitment to change our ways.





Challenges

To reduce our dependency on fossil fuels given limited options in the market for non-conventionally powered commercial vehicles and aircraft.



Achievements

We successfully put in place our global GoGreen Program organization, introduced Carbon Accounting standards and processes, and set up a Steering Committee.



Targets

Our goal is to improve our CO₂ efficiency by 30 % by 2020.



Going green in Indonesia

Employee volunteers demonstrate genuine DHL “can do” spirit as they plant 2,400 seedlings at the Taman Wisata Alam Angke Kapuk mangrove rehabilitation project in Jakarta, Indonesia. Employee involvement is a key part of our global GoGreen Program to tackle climate change.

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We've set up a global network of specialists to manage our GoGreen climate-protection program.

How GoGreen is helping us change our ways

We transport billions of items each year. To do this we operate one of the world's largest private transportation networks consisting of hundreds of cargo aircraft, over 120,000 vehicles, and operational facilities in almost every major city on earth. We acknowledge that while our global operations facilitate trade and create wealth, they also have a considerable impact on the environment.

Evidence of our commitment to change our ways is GoGreen, our climate-protection program. It is our response to our number one environmental priority: tackling the causes of climate change. Operating in a more sustainable manner is a core part of our Group's business strategy.

Tackling climate change

In 2008, we launched our ambitious GoGreen Program to respond to climate change. It is one of the key programs in our Group's comprehensive environmental strategy. The GoGreen Program's

main goal is to improve our CO₂ efficiency. This means reducing the CO₂ emissions we generate for every letter and parcel sent, every tonne of cargo transported, and for every square meter of warehouse space used.

We are ambitious. Our goal is to improve our CO₂ efficiency across all of our operations, including subcontracted transportation services, by 30 % by 2020 (compared to our 2007 baseline). We have already entered into discussions with our subcontractors on ways to measure and reduce their footprint, and have taken our first steps toward achieving our 2012 milestone of a 10 % CO₂ efficiency improvement in our own operations.

Of course there is a lot more to do, and we will continue our efforts to change our ways. In 2008, the Carbon Disclosure Project confirmed we are on the right track. We were the only transport and logistics provider listed in their Global 500 Leadership Index which recognizes transparency and accountability in climate protection strategies.

GoGreen	Our first steps
Our GoGreen Program has five main dimensions:	By the end of 2008, we had put in place the foundations to help us achieve our GoGreen goals:
1) Increasing our CO₂ efficiency: Minimizing the carbon footprint of our operations and those of our transportation subcontractors through targeted initiatives and by introducing innovative technologies.	Fleet optimization and energy efficiency initiatives were started, and innovative technologies were introduced. We also began discussions with our subcontractors.
2) Mobilizing our employees: Raising awareness of climate protection and broader environmental issues, and enabling our employees to minimize our company's environmental impact through their everyday actions.	Educational campaigns, environmental ideas competitions, and awareness-raising material were used to help employees across all business units change their behavior.
3) Generating value: Helping our customers assess their carbon footprints and then reduce them by offering low-carbon alternatives.	<i>GOGREEN</i> climate-friendly products and services were launched in additional countries, including the new <i>GOGREEN</i> service for business customers in Germany, and new "greener" options for our logistics customers.
4) Providing transparency: Being transparent about our carbon footprint to help us track our progress.	We refined our processes to improve the quality of our 2008 carbon footprint data. We calculated our Carbon Efficiency Index for the first time. We are developing a carbon accounting system which will be integrated with our financial accounting system.
5) Preparing for regulatory changes: Engaging with the legislative process to help shape regulation that brings long-term, environmentally-aware changes to our sector.	We provided feedback on proposed European Union policies that could influence how our industry impacts the environment, such as the "Single European Sky".



www.dp-dhl.com/gogreen
www.iso.org



Over 159,000 employees in our MAIL division work in ISO 14001-certified operations in Germany.

46 %

Approximately 46 % of our employees work in ISO 14001-certified operations.



DHL Global Forwarding's operations in Asia-Pacific are ISO 14001 certified. The certificate covers over 10,000 employees in 14 countries.

Environmental management



Minimizing our impact on the environment includes more than tackling CO₂ emissions. Our Group's comprehensive environmental strategy covers air pollution, noise, waste and other impacts from our operations. It supports our precautionary approach to the environment.

These impacts tend to be localized and need to be managed in the context of local conditions and regulations. To do this in a consistent way, we have continued following our 6-Step Approach – our Environmental Management Methodology – to change our ways by embedding the principles of environmental sustainability in our daily operations (see our Sustainability Report 2008 for more details on our 6-Step Approach).

One key step in this approach is for business units to have their Environmental Management Methodologies certified to the ISO 14001 standard. In 2008, even more of our businesses achieved this rigorous environmental standard. Approximately 46 % of

our global workforce now works under ISO 14001-certified Environmental Management Systems. Examples of business units with improved ISO 14001 coverage include:

- our MAIL business in Germany earned ISO 14001 certification for all of its operations. The certificate covers over 159,000 employees and is valid for 49 operational districts, which include 82 mail and 33 parcel centers
- DHL Express in Europe widened its certification coverage from 44 % of sites in 2006, to 80 % in 2008 – covering 43,000 employees in 717 sites
- in Asia-Pacific, DHL Global Forwarding achieved certification of its entire operations, covering over 10,000 employees at 199 facilities in 14 countries.

We will continue with the implementation of our 6-Step Approach to change the way we operate at the local level.

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Loading the maximum number of shipments in each truck and cargo container maximizes efficiency and avoids unnecessary trips.

Increasing our CO₂ efficiency

Three areas of our operations have the greatest potential to improve our CO₂ efficiency as they generate the majority of emissions under our control. They are: air transport, surface transport, and facilities.

Air transport

To transport our customers' shipments to more than 120,000 destinations around the world, we rely on a large fleet of owned and contracted aircraft. This fleet is the most significant source of CO₂ emissions under our direct control. One way we improve the CO₂ efficiency of our fleet is through fleet optimization: investing in newer, more efficient aircraft whenever reasonable. We replace older aircraft in our fleet and assign new aircraft, such as Boeing 777-200 LRF, Boeing 747-400F, and Boeing 767-300F aircraft (equipped with winglets for even greater efficiency) to our long-distance routes (see table).

Newer aircraft are not only more fuel efficient, they also emit lower levels of pollutants such as nitrogen oxides (NO_x) that affect local air quality. And they are quieter. We work with airport authorities to minimize noise pollution, although our options are limited; we have no control over the selection of flight paths for take off and landing, nor over the operation of airports.

In 2008, we piloted an initiative to improve the capacity utilization of our cargo aircraft through training and staff incentives. By optimizing how we load cargo containers, we can carry more shipments on each aircraft. This avoids the need to operate additional flights, saves money, and minimizes CO₂ emissions. The initiative has proved successful and will be rolled out worldwide.

Surface transport

Our global road operations use more than 120,000 vehicles. Together these vehicles make an important contribution to our CO₂ footprint. We are minimizing the environmental impact of our road fleet in three ways:

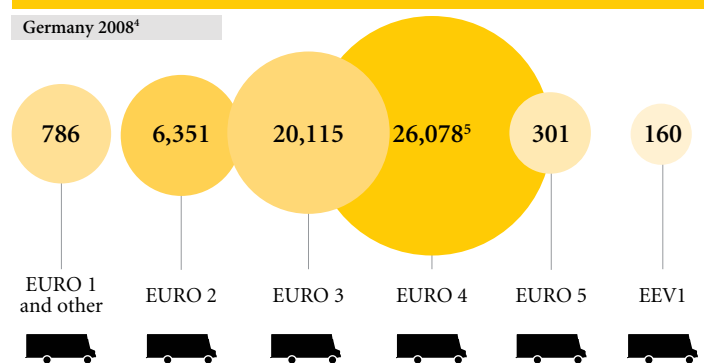
First, our ongoing vehicle replacement policy is improving the emissions standards of our conventionally-fuelled vehicles. Vehicles are replaced on a total cost of ownership basis including fuel costs. Each new generation of vehicle is technically state-of-the-art (as available). In most cases they are more fuel efficient and produce lower emissions than the vehicles they replace. For example, the emissions standards of our approximately 53,000 vehicles in Germany have risen (see graphic). As well as increasing our CO₂ efficiency, these changes also help to improve air quality in city centers.

Second, we are testing non-conventional fuelled vehicles such as electric vehicles and those powered by biofuels (see graphic). However, there is currently a limited choice of van and truck models powered by non-conventional fuels on the market. In 2008, we began several trials of hybrid vehicles together with major vehicle manufacturers and small technology companies. In another initiative to introduce innovative technology, the DHL Innovation Center is currently working on the "SmartTruck" project: the development of an "intelligent" vehicle. Using dynamic route planning and live traffic data, SmartTruck will help our pick-up and delivery operations become more efficient in terms of time, cost, and CO₂ emissions.

2008 Air fleet

Total aircraft	319
of which jet aircraft ¹	229
ICAO NO _x emission standards ²	
CAEP/2	149
CAEP/4	93
CAEP/6	38
ICAO noise standards ³	
Chapter 3	229
Chapter 4	96
Equipped with hushkits	82

2008 Road fleet EURO emission standards



¹ The DHL Global aircraft fleet status December 2008 comprised a total fleet of 319 owned or dedicated/chartered active aircraft. Out of these, 229 were equipped with jet engines. The others were largely small turboprop aircraft used as feeder aircraft for the main network flights.

² NO_x emissions requirements for jet aircraft are defined in ICAO Annex 16 – Volume 2. CAEP/2 requirements are less demanding than CAEP/4

and CAEP/6. The CAEP/6 emission limit is mandatory only for engines manufactured in 2008 and beyond.

³ Noise requirements for jet aircraft are defined in different "Chapters" of ICAO Annex 16 – Volume 1. Chapter 3 requirements are less demanding than Chapter 4 requirements. The latter are only applicable to aircraft manufactured after 1 January 2006.



By testing hybrid vehicles, we are exploring options to minimize our use of fossil fuels.



Exel operates a warehouse for Kraft Foods in the USA in a former limestone mine 30 meters underground. It uses 65 % less energy than comparable above-ground facilities.



By implementing a smart energy management system in our Corporate Headquarters, we achieved a 25 % reduction in electricity consumption.

Finally, we work with our employees to change behaviors and raise environmental awareness. With programs to improve load factors and eco-driver training, we hope to promote fuel efficient driving and encourage employees to help us change the way we do business.

Facilities

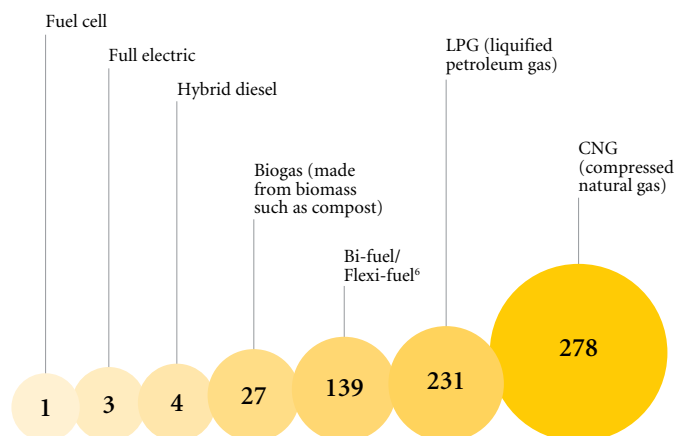
The warehouses and offices we operate around the world represent an important source of our CO₂ emissions. At pilot sites we have introduced energy efficiency measures such as lighting, heating, and building controls. Successful initiatives are then rolled out to other similar sites. For example, by implementing a smart energy management system in our Corporate Headquarters, the Post Tower, we achieved a 25 % reduction in electricity consumption and lower energy costs.

As part of the “StaMoLo” project co-funded by the German Federal Ministry of Education and Research, all 33 DHL parcel-sorting

facilities in Germany will be equipped with low-energy lighting in 2009, saving a significant amount of electricity every year. And DHL Freight launched its “Green Terminal” initiative at two pilot sites to reduce the consumption of energy and other resources, and minimize waste.

To improve the CO₂ efficiency of our facilities we buy energy from verified renewable sources, where practical. The renewable energy market is growing but there are supply limitations. Nevertheless, in 2008 we sourced 68 % of our electricity in Germany from renewable sources and significant amounts in the following countries: Austria, Belgium, Czech Republic, Denmark, France, Sweden, and the UK. Electricity produced from 100 % renewable sources is accounted for as having zero CO₂ emissions.

2008 Non-conventional fuel road vehicles



Changing the way we power warehouses

Our approach to improving energy and CO₂ efficiency in existing facilities is “assess, reduce and replace”. This often results in so-called “quick wins”. For example, by installing new lighting at our Langley, Canada, distribution center, Exel was able to reduce its annual CO₂ emissions by over 400 tonnes. This was one of more than 40 energy-efficiency projects which Exel implemented in its warehouses in the USA and Canada.

We also seek to introduce innovative designs and technologies in new warehouses. Our DHL Supply Chain facility in Jakarta, Indonesia, incorporates features such as skylights to minimize the use of electric lights, ventilation systems that save electricity, and other ways to use energy and water sparingly.

► Next steps

In line with our goal to increase our CO₂ efficiency, we will:

- add new aircraft to our fleet and roll out our air capacity utilization initiative globally
- continue renewing our vehicle fleet. From 2009 to 2011 we will replace 4,500 EURO 3 parcel delivery vans in Germany with EURO 4 vehicles
- require that all major investment projects be assessed in terms of CO₂ efficiency in addition to financial parameters.

⁴ Data is for road fleet in Germany only. However, based on data from other parts of our fleet and our general fleet renewal policies, we assume that the technical status of our global fleet is very similar to our German fleet.

⁵ The higher number of EURO 4 vehicles is due to the purchase of new vehicles and the reclassification of vehicles from EURO 3 to EURO 4.

⁶ Vehicles with a gasoline engine capable of using different fuel types, e.g. gasoline or CNG.



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Exel in the USA supports environmental protection initiatives and rewards employees for making environmentally-sound choices.

Mobilizing our employees

We can only realize our environmental goals through the efforts of individual employees in their daily work. For this reason we want to enable our employees at all levels with the knowledge and the skills to change behaviors. To raise our employees' awareness of environmental issues and to enable them to tackle their environmental impact, we published internal articles and brochures with practical tips.

We launched a "Save Fuel" campaign in Germany. By the end of 2009, up to 50,000 drivers will take part in a program to reduce fuel consumption by 6 % compared to 2007. And we expanded our Global Road Safety Initiative in November to include environmentally-friendly driving techniques.

Rewarding green choices

Exel in North America launched its getGREEN Associate Incentive Program in 2008. The aim is to educate and reward employees for making environmentally-sound choices in their everyday lives through monetary incentives of up to US\$500. Employees are eligible for incentives for purchases including non-conventional fuelled vehicles, such as hybrids, or energy-efficient household appliances. For every five employees who take part in the program, Exel also donates US\$500 to The Nature Conservancy's "Plant a Billion Trees" campaign.

Umweltidee – Environmental ideas



Building on our award-winning Idea Management program (see p. 32), the MAIL division in Germany held an "Ideas for the Environment 2008" (*Umweltidee 2008*) contest to encourage employees to submit ideas to change our environmental performance. The response was remarkable. Employees submitted over 11,000 entries within a four-week period.

An internal panel chose winners based on each proposal's environmental benefits, originality, practicability, and energy-saving potential. The ideas have already helped us reduce costs and improve our environmental performance, with more than €600,000 in savings identified. Ideas are being implemented locally, and will be rolled out across Germany if they prove successful.

Some of the winning ideas included energy-saving initiatives for buildings and vehicles, and proposals for more efficient water usage.

The competition also helped to raise awareness of environmental issues and to increase commitment to the goals of the MAIL division's environmental management program, *Umweltplus*.



Gerd Quint,
MAIL Operations
Branch, Mainz, sorting
machine technician



A magazine article I read about 360-degree motion sensor light switches with a wide detection range caught my attention. I wondered if these sensors could be installed in our mail-sorting centers. The next day I was able to confirm that they would be very compatible with the lighting system used in the mail center.



▶ Next steps

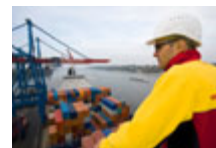
- To make the most of our employees' enthusiasm and ideas, we will:
- roll out the winning ideas from the Ideas for the Environment 2008 campaign and replicate the program in other parts of the Group
 - implement more initiatives to encourage changes in behavior as part of our local community investment activities (see p. 39)
 - introduce on-line training tools to raise employee awareness.



In 2008, we rolled out **GOGREEN** products and services to more markets.



Deutsche Post sponsors a WWF project to rehabilitate 50,000 hectares of peat swamp forest in Indonesia and to develop a carbon credit standard.



We analyze our customers' supply chains and offer them more environmentally-friendly options such as transport by sea or rail.

Generating value with our **GOGREEN** products and services

We have developed a broad range of **GOGREEN** climate-friendly products and services. These are produced using less carbon-intensive forms of transport such as sea or rail, or where CO₂ emissions are offset by our Carbon Management team. We recognize that our products and services can make up a large share of our customers' carbon footprints. Through our value-added **GOGREEN** products and services, we can share responsibility for tackling climate change.

In 2008, we rolled out **GOGREEN** carbon neutral express shipping options to seven additional countries in Europe and made this service available in Asia-Pacific (see table). In Germany, our MAIL and PARCEL division made **GOGREEN** products available to business and private customers, and transported tens of millions of **GOGREEN** shipments. While this is still a small product segment, it is growing quickly. We will continue to promote and expand our range of **GOGREEN** products and services.

Our climate-friendly products and services

Where to find them

PLUSBRIEF GOGREEN	Deutsche Post (Germany)
GOGREEN Mail Business Service	Deutsche Post (Germany)
GOGREEN Parcel Business Service	DHL (Germany)
GOGREEN PLUSPÄCKCHEN	DHL (Germany)
GOGREEN Online Franking	DHL (Germany)
GOGREEN Tonnage	DHL (Sweden)
GOGREEN Express	DHL (Europe and Asia)
DHL Neutral Services Carbon Consultancy	DHL (Global)
Green supply chain solutions	DHL Supply Chain (Global)
Rail transport	DHL Freight (Europe)
Sea transport, "SeAir" product	DHL Global Forwarding (Global)

Allianz goes green



Thomas Pleines,
CEO Allianz
Versicherungs-AG



Deutsche Post's **GOGREEN** products are a valuable addition to our climate protection program. Our goal is to reduce CO₂ emissions from all Allianz companies by 20 % by 2012.



How we offset carbon emissions

Our Carbon Management team manages the way we offset CO₂ emissions. This is done through internal projects or by purchasing external carbon credits. We only buy credits that are certified under international frameworks, such as the UN's Clean Development Mechanism (CDM). We use the following credits for the **GOGREEN** service:

- VER (Verified emission reductions) Gold Standard
- CER (Certified emission reductions)
- CER Gold Standard

Through our **GOGREEN** offering we have increased the amount of CO₂ offset from over 1,000 tonnes in 2006 to more than 16,000 tonnes in 2008.

Offering a better transport mix

High transportation costs and concerns about CO₂ emissions from transport, particularly air and road transport, are important issues for our customers. Although it is the fastest option for transporting goods over long distances, air transport has the highest cost and CO₂ emissions per weight of goods transported. Rail and sea transport are often the most cost and CO₂ efficient options. We advise our customers on the most appropriate form of transport for their logistics needs.

We work with our customers to analyze their supply chain and offer them more environmentally-friendly options, such as transport by sea and rail. DHL Global Forwarding's "SeAir" product, for example, transports goods from Asia by sea to Dubai, and from there by air to destinations in Europe and Africa. This service saves time compared to an all-sea product, and generates both cost and CO₂ savings compared to an all-air product.

In Europe, DHL Freight offers a combined rail and sea product whereby road trailers are moved using different modes of transport. For example, shipments originating in the north of Italy are taken to Verona, from where they are transported by rail to Lübeck in Germany. Once there, they are loaded onto ships to Scandinavia and the Baltic. Road transport is then only required for the first and last part of the journey.



www.dp-dhl.com/gogreen
cdm.unfccc.int

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We are working with airlines on ways to improve the reporting of CO₂ emissions from air cargo and to identify efficiency measures.

Providing transparency

The ability to calculate our own carbon footprint is a key prerequisite of our GoGreen Program. We need to identify opportunities for reducing our footprint and to track how much we have changed our ways. We also need the data to offset our *GOGREEN* products and services, and in due course to calculate our customers' individual footprints.

We have already set up a Carbon Accounting team, agreed on the methodology for calculating our footprint in a more structured way, and issued guidelines based on the Greenhouse Gas Protocol and the ISO 14064 Standard. To improve data collation, we are setting up a carbon accounting system linked to our financial accounting system.

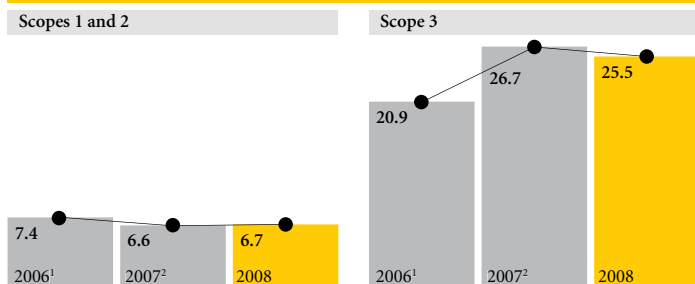
Our target

We are the first major logistics company to commit to a significant CO₂ efficiency improvement. Improving our CO₂ efficiency means minimizing our use of fossil fuels by changing our ways.

Our goal is to improve our CO₂ efficiency by 30 % by 2020, compared to a baseline of our 2007 performance. This target covers both CO₂ emissions from our own operations and CO₂ emissions from subcontracted transportation. We have already entered into discussions with our subcontractors on ways to measure and reduce their footprint. To help us monitor our progress towards our 2020 goal, we have set ourselves an interim target to improve the CO₂ efficiency of our own operations by 10 % by 2012.

We report on our progress on these pages and explain how we measure our CO₂ emissions.

Total CO₂ emissions (in million tonnes)



Scope 1
Refers to direct CO₂ emissions from our own operations.

Scope 2
Includes CO₂ emissions corresponding to the electricity, district heating and cooling that we purchase.

Scope 3
Covers CO₂ emissions from subcontracted transport.

Note: Definitions of Scopes 1–3 are based on the Greenhouse Gas Protocol.

Scope 1 and Scope 2 emissions data are based on fuel and energy consumption. Scope 3 emissions are based on calculations and some assumptions, due to the lack of emissions data reported directly from our subcontractors. From 2007 to 2008 we were able to improve data quality by increased use of measured data, refined

calculations, and more specific benchmarks. These improvements could partly also be applied to 2007 data, resulting in a restatement of the 2007 data reported in our 2008 Sustainability Report. Since 2006 data could not be restated, comparability is limited.

Energy use³ (in million kWh)

	2006	2007	2008
Electricity	2,334	2,101	2,039
Heating ⁴	2,734	2,271	713
District heating	168	223	138
Heating oil	78	72	303
Natural gas	449	602	912
LPG (liquified petroleum gas)	0	0	66
District cooling	n.a.	4	2
Total	5,763	5,273	4,172

Scope 1 fuel use³ (in million liters⁶)

	2006 ⁷	2007 ⁸	2008
Biofuels	n.a.	0.3	0.5
CNG (compressed natural gas)	n.a.	10.9	0.7
LPG (liquified petroleum gas)	n.a.	0.7	2.1
Gasoline	n.a.	50.4	66.9
Diesel	n.a.	541.8	561.9
Total road fuels	690.4	604.0	632.0
Total kerosene	1,760.1	1,370.9	1,530.5



www.ghgprotocol.org

Data generated by measurements, calculations, projections and estimations. We used measured data where available. For some units and processes without measured data we applied model calculations and assumptions. Wherever possible, we used internal benchmarks to achieve the best possible data quality. Data accuracy is estimated at +/- 10 % for Scope 1 and 2 and +/- 25 % for Scope 3.

¹ Data for 2006 as reported previously.

² 2007 data are restated vs. data reported in the 2008 Sustainability Report. Key changes result from improved data transparency, re-allocation of some aircraft between Scopes and a new emission factor for maritime shipping issued by the International Maritime Organization (IMO).

³ Energy consumption figures are based on both measured and calculated/estimated data.



Raising our employees' awareness of environmental issues and getting them to change their behavior, lies at the heart of our Sustainability program.



DHL Supply Chain operates 200 Teardrop trailers in the UK. The aerodynamic design delivers 10 % fuel savings and 10 % more load volume.

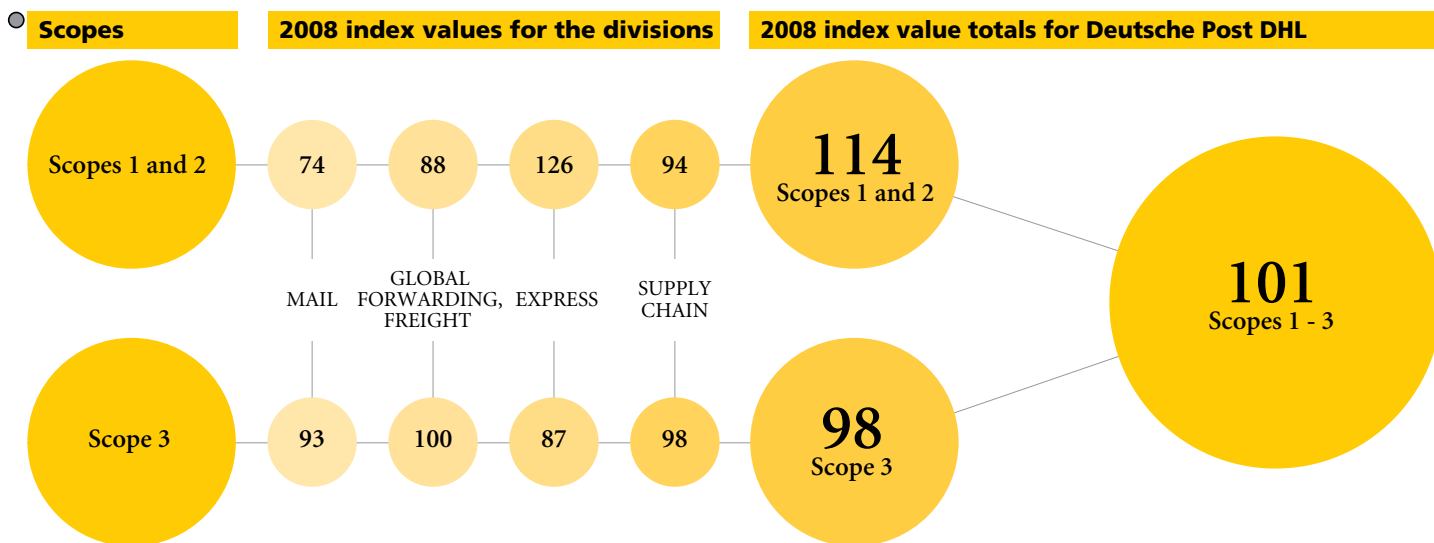
2008 Carbon Efficiency Index

To track our progress against our 2012 and 2020 carbon efficiency targets, we have developed the Deutsche Post DHL Carbon Efficiency Index. The reporting of our carbon footprint data and our Carbon Efficiency Index is divided into two categories, using the definitions of the Greenhouse Gas Protocol: one category covers "Scope 1" and "Scope 2" emissions, while the other category covers "Scope 3" (see graphics).

We developed an index as our Group includes many different kinds of businesses that by necessity use different ratios to measure their CO₂ efficiency (e.g. grams of CO₂ per shipment or grams of CO₂ per square meter of floor space). The ratios are then weighted by

absolute emissions of the respective entity and consolidated into one number, similar to a stock index, for each division's Scope 1 and 2, and Scope 3 emissions. The divisional values are then consolidated into Group totals based on each division's contribution to the Group's total CO₂ emissions.

For the 2007 base year, the index was set to 100. In 2008, the index value was 101.



The increase in Scopes 1 and 2 reflects the current economic crisis, which caused a drop in business volumes. This could not be compensated in the short term by a corresponding reduction of emissions from our own transport networks. A net efficiency decrease is the result.

In Scope 3, our outsourced transportation, the reduced business volumes could even be slightly over-compensated (i.e. we achieved a small efficiency improvement). Overall our carbon efficiency remained almost stable.

Next steps

- To further improve our performance, we will:
- complete implementation of our carbon accounting processes and IT infrastructure by the end of 2010
 - use our improved carbon footprint data to identify CO₂ efficiency initiatives across our worldwide operations
 - measure the carbon efficiency of each of our divisions using key performance indicators to help us realize our targets
 - work with our transportation subcontractors to better understand the complexities of their carbon footprint, improve the accounting of their CO₂ emissions and identify CO₂ efficiency improvements.

⁴ "Heating" stands for calculated/estimated energy use where the energy source is not specified.

⁵ Fuel consumption figures are based on both measured and calculated/estimated data.

⁶ For natural gas in million kg.

⁷ For 2006, data for different fuel types were not available.

⁸ 2007 data are restated vs. data reported in the 2008 Sustainability Report. Key changes result from improved data transparency and re-allocation of some aircraft between Scopes.

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We support the introduction of the “Single European Sky” initiative as a sensible way to cut fuel costs, CO₂ emissions, and flight delays.

Preparing for regulatory changes

We engage with policy makers to help shape regulations that are relevant to our business and our industry’s impact on the environment.

We are a member of the “3C” (Combat Climate Change) initiative. It is comprised of business leaders from over 50 global companies who want urgent action on climate change. 3C seeks to influence policies being developed for 2013 onwards, after the expiry of the Kyoto Protocol. Through 3C, we actively advocate a global framework that supports market-based solutions to climate change.

An overview of key policy developments of interest to our Group is provided below.

EU Emissions Trading Scheme

In 2008, the European Parliament and the Council of the EU decided to include greenhouse gas emissions from aviation in the European Union Emission Trading Scheme (EU ETS) from 1st January 2012. It includes all flights arriving or departing from an airport within the EU, and will limit the aviation sector’s emissions to 97 % (95 % as of 2013) of the annual average emissions from 2004 to 2006.

We support the principle of putting a price on CO₂ emissions. We believe that emissions trading is the most cost-effective instrument for achieving this, in particular if applied globally. Now that the decision has been taken, it is essential that the ETS for aviation be applied in a non-discriminatory manner to EU-based carriers and those from third countries to avoid market distortions and to ensure a level playing field.

Biofuels

There is an ongoing debate as to the sustainability of biofuels. We are following this debate closely. We are testing various biofuels, such as vegetable oil and biogas, in our road vehicle fleet to comply with the European Commission’s 2006 proposals to increase the amount of biofuels used in road transportation.

The European Commission is working on guidance for sustainable biofuels. We have developed internal biofuels guidelines to help us make informed choices for our trials which reflect our goal of operating in a sustainable way.

Single European Sky

European airspace is amongst the busiest in the world. It is currently largely managed by individual EU member states. On average, this causes detours of 49 km for each flight, and thus unnecessary fuel costs, CO₂ emissions, and delays.

The “Single European Sky” is the European Commission’s initiative to harmonize the management of airspace throughout the European Union. By introducing “functional airspace blocks”, it aims to increase safety and to use European airspace more efficiently. At the same time, it will lead to significant reductions in CO₂ emissions. Provisional estimates predict improvements of up to 10 % for each flight.

As an easy-to-achieve measure to increase the CO₂ efficiency of aviation, we strongly support the adoption of the Single European Sky as soon as possible to ensure its implementation in 2012.

Eurovignette

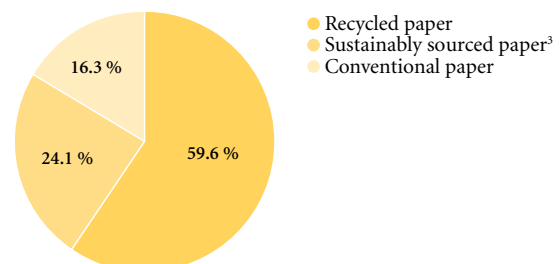
Today, the Eurovignette Directive allows EU Member States to charge heavy goods vehicles (i.e. those over 3.5 tonnes) for the use of certain road infrastructure.

The revision of the Directive, which is currently ongoing, intends to broaden the scope of the charging system to “environmental charges”. Its objective is to promote sustainable road transport by reducing the so-called “external costs” of road transport, namely air pollutants (i.e. particulate matter and ozone precursors), noise and congestion.

However, industry representatives from the road transport, logistics, retail, and shipping sectors have serious doubts as to whether the proposal contains the appropriate measures to reduce the external costs of road transport. In particular, when it comes to congestion, other solutions which would help to optimize road transport networks would be preferable (i.e. liberalized cabotage and intelligent transport systems).

Paper use¹ 2008 (in tonnes)

Total² 91,500



www.combatclimatechange.org
ec.europa.eu/dgs/environment

¹ 2008 paper consumption data represent over 75 % of the Group-wide paper and cardboard products sourced through our Procurement organisation. Paper used for customers is no longer included.

² Data include estimates and reports from suppliers.

³ Paper certified according to FSC or PEFC standards.



By 2010, DHL Sweden will replace 250 diesel-powered vans with gas-fuelled ones: a low-emission solution especially when run on biogas.



As of 2009, we are purchasing 100 % of the electricity for our facilities in Germany from renewable sources – including for our own retail outlets.

Sourcing sustainably

Revised Supplier Code of Conduct

We spent over €9 billion in 2008 on products and services. This considerable purchasing spend provides us with an opportunity to influence the sustainability of our own supply chain. We are guided by international environmental and social standards when it comes to purchasing decisions. In order to ensure a consistent approach throughout our company, we introduced a Supplier Code of Conduct in 2007. This was revised in September 2008 following dialog with our suppliers.

To ensure that the Code is workable, we set up a multidisciplinary team with experience across a range of procurement responsibilities. The Code covers:

- laws and ethical standards (including labor and human rights)
- health and safety
- business continuity planning
- improper payments and bribery
- the environment
- business partner dialog.

This Code is part of all new contracts with suppliers. Early in the procurement process we request that our suppliers commit to the Code before proceeding. To support its implementation, we have developed guidance notes for our procurement teams and trained more than 500 of our buyers on the content of our Code in 2008.

Our Code alone cannot ensure compliance, but it provides a solid foundation for engagement with suppliers so that our expectations are clear.

Continuing good practice

In 2007, we launched a global program to systematically review our major purchasing categories and to negotiate more environmentally-friendly alternatives. In 2008, we introduced a standardized environmental “request for information” form that facilitates the understanding of ecological standards within our supplier base, and which provides the basis for discussing alternatives.

We are also continuing sustainable sourcing initiatives from last year such as fleet procurement, “greener” IT, and paper sourcing. Our Procurement organization, for example, has significantly increased the

percentage of recycled and sustainably-sourced paper it purchases, in line with the guidance in our Corporate Paper Policy, to over 80 % in 2008 (see graphic).

Another aspect of our program is to challenge our employees to think about how their purchases impact the environment. For example, in 2008 we held a “Green Purchasing” Information Day at our Corporate Headquarters in Bonn. It showcased more environmentally-friendly options for a range of items such as “green” energy, stationery products made from recycled materials, and environmentally-friendly cleaning supplies.



Hubert Ziob,
Key Account Manager,
Microsoft

“ The principles in Deutsche Post DHL’s Code of Conduct are similar to the Microsoft Standards of Business Conduct. It’s not enough to just do the right things; we have to do them in the right way. ”

In December 2008, we announced measures to improve the environmental credentials of our company car fleet for our executives in Germany. Under the new guidelines, executives are set maximum CO₂ emission limits for each category of car and offered incentives to downgrade to a more CO₂ efficient car. They also have the opportunity to choose a season rail ticket (*BahnCard 100*) instead.

We will continue to use our considerable purchasing power to help influence our supply chain, and to help us realize our CO₂ efficiency targets and broader sustainability goals.

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-





Challenges

In the current economic crisis we depend more than ever on qualified and committed employees.



Achievements

We increased the participation rate in our global opinion survey "Every ONE counts" to 76 %.



Targets

Our aim is to become employer of choice in our industry.



Committed to diversity

All different, altogether successful: our over 500,000 employees reflect the diversity of our customers and their local communities. This helps them to better understand their needs, and by doing so, to provide superior products and services. We see diversity as a unique source of potential to tap into.

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500,000

With over 500,000 employees, we are the sixth-largest employer in the world.

Embedding a common culture

The diversity of our employees is our strength. Their talents, their experience, and their ideas ensure that Deutsche Post DHL remains sustainable and competitive. Our employees' commitment and motivation help us secure our customers' trust and loyalty. Creating value for our customers is the goal of our corporate program, First Choice. In order to achieve this goal, we want to become the preferred employer in our industry.

Developing and encouraging our employees is a continuous process. It does not end when someone reaches a particular age, position, or level of knowledge. We continue to invest in safe and healthy working environments. We are open to new ideas and foster a culture of constructive debate – both between employees and executives, and between management and employee representatives.

We presented our guidelines and objectives for employee development in our Sustainability Report 2008. In this report, we present our progress in anchoring the objectives in our global corporate structure and the measures implemented to achieve this. We have set ourselves new objectives on our path to becoming our industry's preferred employer.

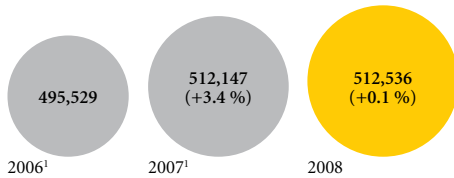
Our employees

Over the past 19 years, we have developed from a federal authority into an international logistics corporation. Today, we are the sixth-largest private employer in the world. Sixty-three percent of our employees live and work outside Germany. We employ more than 500,000 people in over 220 countries and territories, with some 40 nationalities represented at our corporate headquarters in Bonn alone.

Employees around the world

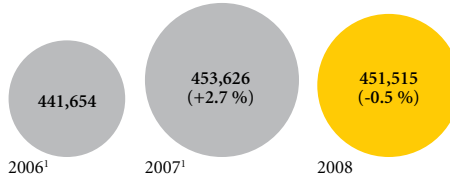
Total headcount at year-end

Deviation year-on-year (%)



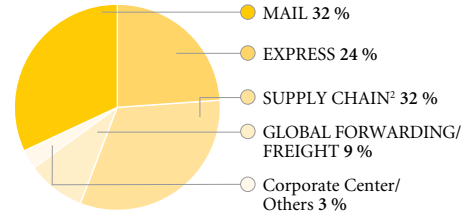
Total full-time employees at year-end

Deviation year-on-year (%)



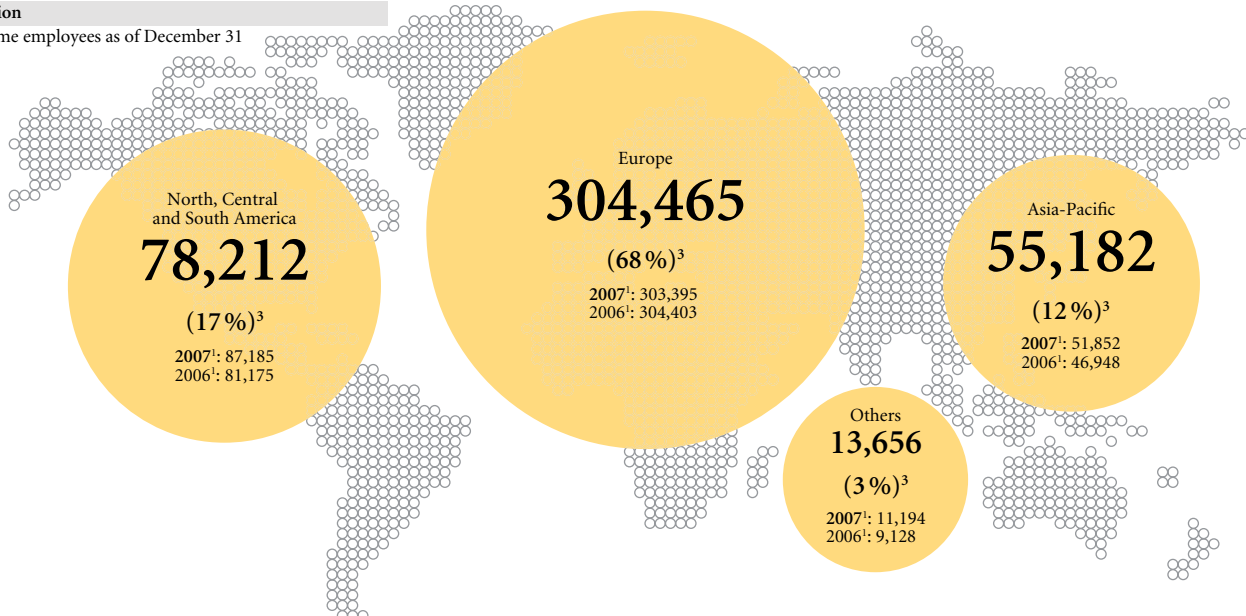
Employees by corporate division

Full-time employees as of December 31



By region

Full-time employees as of December 31



¹ Restated

² Including CIS (CORPORATE INFORMATION SOLUTIONS).

³ Regional workforce as a percentage of the global workforce.



We are a very international company: 63 % of our employees are based outside Germany.



Using First Choice methodology, a team of DHL Global Mail employees in the USA reduced incorrect invoices by 98 %.

29

The Deutsche Post World Net Forum brings together employee and management representatives from 29 European countries.

Our challenges

The current world economic crisis, coupled with the decline in world trade, has affected the logistics industry, and Deutsche Post DHL has been no exception. Consequently, we depend more than ever on qualified and committed employees to help us hold on to our market position in today's difficult environment. At the same time, we need to have the foresight to lead our Group into a better future.

We are responsible for the well-being of our employees and for carefully evaluating necessary business decisions. In light of a persistently weak American economy, we were compelled to take far-reaching action in the US in 2008. On 10th November, we announced our withdrawal from the US domestic express business to concentrate on international products and services. There was no alternative, this step was in the interest of the Group as a whole and in the interest of our customers and shareholders. We are making every effort to minimize the impact of job cuts on our employees in the US. Among the support measures we offer are appropriate severance packages for the affected employees and assistance in their search for new job opportunities.

As an international company, we also have employees working in countries with heightened security risks. We were greatly saddened by the fact that three DHL employees were killed in Afghanistan in October 2008. Another, from DHL Global Forwarding, was shot in Guatemala in December. The safety of our employees is our highest priority. We will continue to do whatever we can to ensure safe working environments for our staff.

Our corporate culture

Especially in difficult economic times, our Corporate Values (see p. 08) serve as our guiding principles. Introduced in 2005, they are now firmly anchored in our employees' daily work routines.

Our Code of Conduct serves as a definitive guideline for responsible behavior. It promotes integrity and is aligned to high ethical standards. The Code was rolled out and implemented in 2006 and 2007. In 2008, senior managers around the world were surveyed to evaluate their awareness of the Code and the degree of its implementation. From 2009, the Code will be subject to regular audits.



Working with employee representatives

We foster a constructive and respectful working relationship with employee representatives at Deutsche Post DHL, in keeping with the principles of the United Nations Global Compact. We also observe the International Labour Organization's 1998 Declaration on Fundamental Principles and Rights at Work, in accordance with national laws and customs.

We maintain an ongoing dialog in the European Economic Area through our Deutsche Post World Net Forum. We are also active participants in the Social Dialogue Committee for the postal sector.

Deutsche Post World Net Forum

The Deutsche Post World Net Forum is a joint committee of employee and management representatives from 29 European countries. Through the Forum, we promote direct and open communication that is customized to our Group's needs. Elections were held in September and October 2008 for the second legislative period of the Forum. Fifty-four employee representatives were elected to the European Works Council Forum and 27 management representatives were appointed to the European Management Forum. The constituent meeting was held in December in Bonn. According to the development agreement, we have adapted the organizational structure of the Forum to reflect developments in the Group and brought it closer to the business by establishing business committees.



www.ilo.org

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We embrace diversity and it is anchored in our Corporate Values.

A competitive edge through diversity

Diversity management is an essential component of our corporate culture. It is firmly anchored in our Corporate Values and Code of Conduct. Employees from different ethnic and social backgrounds, age groups and world views work for us to provide services to our similarly heterogeneous customers. Cultural diversity and skill in dealing with difference is key to ensuring high productivity and efficiency for our business in the long term.

To this end, we promote our company's diversity and pledge our support for equal opportunity. We underscored this commitment in December 2007, when we signed the Charter of Diversity, an initiative of the German Government.

By signing the Charter we committed, for example, to foster a corporate culture characterized by mutual respect and appreciation, raise awareness of diversity management, promote dialog in and outside the organization, and report annually on our activities to promote diversity.

Diversity as an opportunity

We promote equal opportunity so that all of our employees can realize their potential, and contribute their talents to the success of our Group.

In the interest of increasing the number of women in management positions and retaining them in the company, we develop and support talented female employees. Our approach ranges from targeted promotion, in the context of our International Mentoring Program, to measures aimed at enhancing the compatibility of family and career, such as offering childcare or flexible working hours.

True to our diversity management motto, "Embrace diversity", we reject discrimination in our organization. Following that principle, we conducted various initiatives in 2008, including promoting the acceptance of homosexual employees, supporting an international cultural festival, and taking part in a campaign day sponsored by the apprentices' representative body. We also enhanced cooperation with the *Völklinger Kreis* Federal Association of Gay Managers.

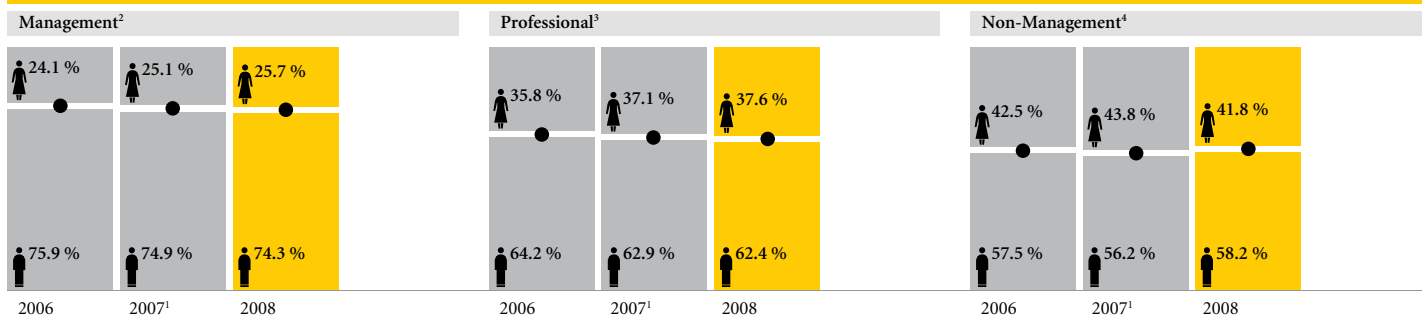
We also see it as our responsibility to ensure greater integration of employees with disabilities. A competition for innovative workplace design for employees with disabilities was just one of the measures we undertook in 2008.

Our diversity management policy aims to promote understanding among employees of different cultures and living conditions. In line with that goal, we conducted a volunteer program together with UNICEF for the third year running. For two weeks, employees from around the world volunteered for a program in Kenya aimed at reducing child mortality. Participants benefited from the experience of working together with people of different nationalities in a setting that was foreign to everyone (see p. 44).

International Mentoring Program

We continued our International Mentoring Program in all of our corporate divisions in 2008. A main aim of this program is to give talented female employees the opportunity to move forward with their career planning with the help of experienced executives. Regular mentee/mentor meetings are a key part of the program, which also offers mentees individual coaching, feedback interviews, a project assignment, and workshops.

Employees by gender (2006-2008) (annual average)



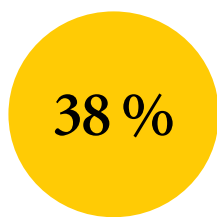
¹ Restated

² Management employees have formal people responsibilities e.g. disciplinary issues and performance management.

³ Professionals typically perform analytical, conceptual, or creative tasks.

⁴ Non-Management employees typically perform administrative or physical tasks.

The data on employees by gender were surveyed from Deutsche Post DHL companies in 2006, 2007, and 2008. For 2008, these data covered for Management 80.0 %, for Professional 66.9 %, for Non-Management 68.7 % of all employees (headcount) of Deutsche Post DHL (2007: 61.9 %; 2006: 65.2 %).



38 % of our global workforce is female.



In 2008, we ran an innovative workplace design competition for employees with disabilities.

Confronting demographic change

Demographic change has a direct impact on our employment structure. To enable us to respond to this challenge, we developed the “Demographic Risk Monitor” simulation module together with the Institute for the Study of Labor (IZA). In 2008, we provided the tool to personnel managers of several business departments. Using the module, we analyze trends in labor turnover and age structure. We use the results to provide appropriate responses to demographic trends in specific regions.

Sharing and implementing best practice

We share and implement best practices in various ways and ensure continuous learning from one another. We also make use of advanced training modules and internal media for enhancing awareness of diversity and mutual understanding. All apprentices take part in the “Live the job together” introductory program, which focuses on tolerance and non-discrimination. We have also integrated information about diversity management into our “Step In” introductory program for newly-hired executives.

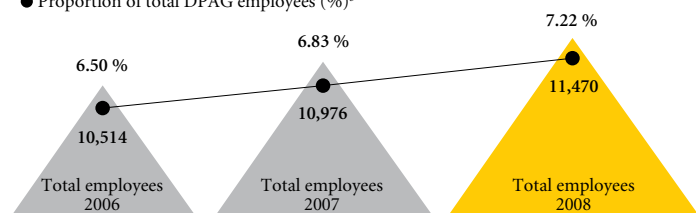


Work/life balance (Deutsche Post AG) (as of December 31)

	2006	2007	2008
Maternity/paternity leave (headcount)	3,604	3,168	2,721
Other family leave days taken (e.g. unpaid holidays) (headcount)	3,112	2,868	2,673
Part-time employees (headcount)	65,068	69,823	71,934
Part-time employees in %	35.8 %	38.5 %	40.0 %

Employees with disabilities (Deutsche Post AG) (as of December 31)

● Proportion of total DPAG employees (%)⁵



Next steps

In 2009, we will:

- develop our diversity management initiative into a Group-wide strategy
- extend our diversity network, further enhancing awareness of diversity
- institute suitable measures for confronting the challenges that demographic change brings.

⁵ Rate is according to German social law (Sozialgesetzbuch IX).

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3,839

We employed
3,839 apprentices
and trainees in
our Group.

Developing talent sustainably

We need to respond effectively to changes in the global economy so that we can present ourselves as an employer of choice. To do this, we rely on efficient human resources marketing and recruitment in a global context.

Innovative ways to recruit

Just as in previous years, the Top Employer Web Benchmark 2008 produced by the market research institute Potentialpark Communications, rated our career portal as the best in both Germany and Europe. Each year, we advertise more than 16,000 jobs electronically, and our database already contains over half a million candidates. In May 2008, we launched our pioneering "Discover Logistics" global initiative. It aims to increase the attractiveness of our industry among potential candidates and position DHL as the employer of choice. We have over 8,500 registered users from 122 countries on our platform www.dhl-discoverlogistics.com, which is a valuable talent pool for us.

Collaborating with universities

In 2008, we continued to develop our network of cooperation with international universities and scientific institutions. For instance, as part of the MBA Internship Program, we give students from leading business schools the opportunity to get to know our company. We see this as a way of helping to recruit qualified students for future executive positions. To date, over 200 MBA students have gained valuable practical experience in demanding projects as part of this program.



Pascal Marx,
Trainee courier, express
and postal services
specialist

“

I gave up my initial training after only a few weeks. *Perspektive Gelb* was a big opportunity for me. It gave me a chance to show what I can really do.

”

Vocational Training

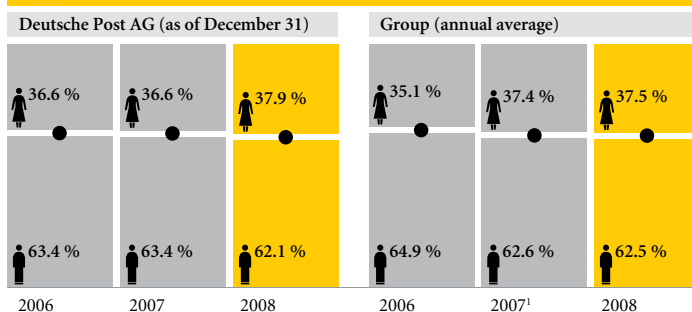
Initial vocational training for young people ensures that qualified staff with the right skills will be available to the Group in the future. In 2008, Deutsche Post hired some 1,600 trainees in 17 different recognized trainee occupations in Germany. On an annual average, we employed some 3,800 trainees in 2008. In a training agreement with the union *ver.di*, Deutsche Post AG undertook to offer at least 30 % of all trainees continued employment within the Group in Germany from 2007 to 2009. In fact, we offered 70 % of suitable trainees permanent employment, far exceeding the agreed rate.

In 2008, we continued our successful "Top Trainee" program, aimed at promoting and retaining trainees who perform especially well. We give the best 5 % in any particular year an assurance of permanent employment very early on, and provide them with targeted support. We selected 83 "Top Trainees" in 2008.

We have continued our *Perspektive Gelb* program for young people who are experiencing difficulties entering the job market. This long-term internship improves their prospects of obtaining a training place at Deutsche Post in Germany. In 2008, we were able to offer a place to 90 % of the participants.

Even before training commences, we become involved in schools: in Germany, we have run numerous job application training courses, offered internships and help on getting started in professional life. As a long-standing partner of the "business@school" program, a Boston Consulting Group initiative, we advise and assist pupils for one school year, and support them as they develop their own business ideas.

Apprentices and trainees



www.dp-dhl-career.com
www.dhl-discoverlogistics.com

¹ Restated

The data for apprentices and trainees according to gender were surveyed from Deutsche Post DHL companies in 2006, 2007, and 2008. For 2008, these data covered 100 % of all employees (headcount) of Deutsche Post DHL (2007: 99.5 %; 2006: 89.3 %).



In 2008, we launched our pioneering Discover Logistics global initiative which has attracted over 8,500 participants from 122 countries.

90 %

In 2008, we were able to offer training places to 90 % of the participants in our *Perspektive Gelb* program for young people.

Employee development

We are a learning company and therefore offer our employees the opportunity to realize their full potential and contribute to the Group's success. Our employees benefit from our investments in our on- and off-the-job training offers.

In 2008, we expanded the number of courses offered on our Group-wide online learning platform "mylearningworld.net" to over 1,000 courses. There are now some 50,000 active online learners throughout the Group. The topics covered range from general management skills and our Code of Conduct through to IT applications. We have also developed tailored learning modules for our First Choice and GoGreen programs, and for our Global Road Safety Initiative (see p. 35).

In addition, our divisions also run their own programs, tailored to their specific requirements. Newly-introduced programs include, for instance, the RAPID (Role Advancing Program), OSCAR (On-the-job Stretch Assignment CARds), and International Exchange programs at DHL Express. These programs give suitable employees the opportunity to increase their skill sets, such as by undertaking demanding tasks that extend beyond their current job, preparing them in a practical way for the next stage in their career.

Our employees' opinions are important to us

A key component of our dialog with our employees is our Group-wide Employee Opinion Survey, "Every ONE counts", which we conducted for the second time in 2008. This survey provides our employees with the opportunity to give confidential feedback on different aspects of our corporate culture. The very high response rate of 76 % in 2008 (2006: 65 %) confirms our employees' increasing commitment to this tool.

Executive development

Our executives act as role models. We rely on them to set an example in terms of our leadership principles of mutual respect and clear commitment to deliver results.

With "motiv8", we have, over the past few years, created a comprehensive performance management process for the identification of top-performers and potentials. The responsibility for human resources development lies with managers. motiv8 supports their efforts through standardized performance measurements and feedback tools. Today, we use motiv8 for our succession planning worldwide. Based on its results, our newly-created position of an internal talent broker identifies appropriate candidates for management positions within our Group. Using this process, we were able to fill 87 % of top management positions internally.

motiv8 is not the only tool which supports a Group-wide performance culture based on constructive, honest feedback. We also use specific development measures to achieve this objective. 360-degree feedback is one of the instruments we use for executive development. It compiles anonymous feedback from various groups of reviewers and contrasts the results with how managers perceive themselves. Around 1,300 managers used this tool in 2008.

The International Business Leadership Program offers top executives the opportunity to systematically build up strong cross-divisional networks, to become familiar with current business strategies and to further develop their management qualities. 135 executives from 35 countries took advantage of this opportunity in 2008.

Since 2006, we have also made it possible for selected executives to update their skills by completing an Executive Master of Business Administration, specializing in general management, logistics or finance, alongside their job. Twelve executives graduated from the program in 2008.

Next steps

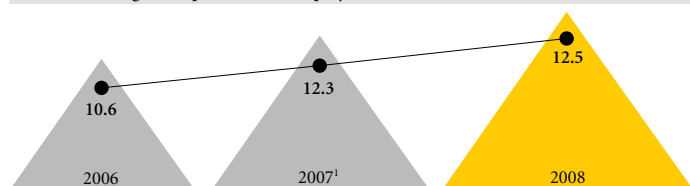
In 2009, we will:

- expand our cooperation with universities and schools in order to attract new staff
- establish 360-degree feedback even more strongly within the Group
- increase the number of users of mylearningworld.net.

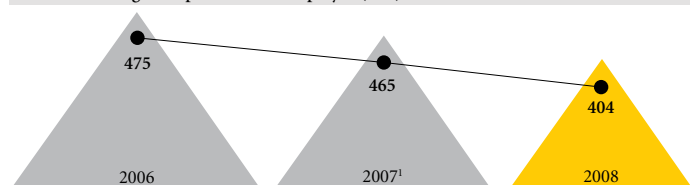
The data collected on training hours covered 65.2 % of all employees (Full-time equivalents (FTEs)) of Deutsche Post DHL in 2008 (2007: 58.6 %; 2006: 63.2 %). The data collected on training costs covered 44.7 % of all employees (FTEs) of Deutsche Post DHL in 2008 (2007: 42.2 %; 2006: 47.0 %).

Training (Group)²

Annual training hours per full-time employee



Annual training costs per full-time employee (in €)



¹ Restated

² Increased training hours and the accompanying decrease in training costs are directly correlated with the utilization of e-learning.

The data for training were surveyed from Deutsche Post DHL companies in 2006, 2007, and 2008.

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€265 m

Our employees' ideas, proposed through Idea Management, created a benefit of €265 million for our Group in 2008.

Solving challenges through employees' ideas

Innovation is a key success factor for companies. Only those companies that continue to improve processes, products, and services will be able to maintain their competitive edge in the long term. That is why we encourage and reward our staff to come up with ideas. Our staff are experts in their fields, and are therefore an abundant source of innovation – ranging from small improvement suggestions, through to patentable inventions. The creativity of our employees offers huge untapped potential that we can leverage systematically with the aid of our Idea Management program. The aim is to enhance the value of our company in the long term.

The cultural diversity and the varied experience of our staff provide a major advantage in this regard. We encourage our employees to question conventional approaches and to chart new courses. In doing so, we are laying the foundations for creative freedom and a breeding ground for innovation.

Ideas with the potential to create value

In 2008, our employees submitted some 219,000 ideas on how we can shape our work processes more effectively, reduce repair and energy costs, and enhance environmental protection. We implemented 74 % of all these ideas. The benefit for our company amounted to €265 million (compared to €248 million in 2007). The fact that we are receiving a growing number of improvement suggestions 10 years after the introduction of our Idea Management system proves how much our employees appreciate being able to contribute and how closely they identify with the Group.

Creating incentives, ensuring motivation

We reward our employees' ideas. For every idea that is implemented, the submitter earns a bonus along with the respect and appreciation of managers and colleagues. Depending on the potential savings, employees can receive up to €100,000. Even suggestions without measurable savings are rewarded – every idea counts.

Particularly dedicated employees who submit several successful ideas are admitted to the "Thinkers' Club" for one year. Members have the opportunity to make contacts throughout the business and take part in presentations and discussions.

Idea Management is an executive task. The discussion between employees and their managers about suggestions for improvement helps to create an open corporate culture. Executives are given incentives to promote their employees' creativity. Once a year, a member of the Board of Management pays tribute to the 10 most dedicated departmental and branch managers.

Increasingly international

The quality of Idea Management at Deutsche Post AG has reached a very high standard. We came in first among service companies in Germany in the "Idea Management" category in a ranking undertaken by the business periodical *Wirtschaftswoche*. We intend to embed our Idea Management system even more firmly within the Group worldwide. Globally, our long-term goal is to receive an average of at least one idea per employee per year.

Idea Management to change our ways

In 2008, we used Idea Management to boost our GoGreen climate protection program and our First Choice corporate program. As part of the "Ideas for the Environment 2008" competition, staff in our MAIL division were called upon to submit suggestions aimed at further enhancing the company's environmental track record (see p. 18). The use of First Choice criteria to evaluate employees' ideas was successfully piloted by the MAIL division in Germany and DHL Global Forwarding in North America. They put the main focus on connecting ideas to direct benefits for customers.

The idea: More light with fewer light bulbs

This idea, submitted by our employee Dietmar Schreiner, enabled us to halve our power consumption. Numerous fluorescent lamps were used to illuminate a parcel and mail center in Essen, Germany, but the light efficiency was still poor. By using reflectors, we improved the light efficiency by more than 50 %, enabling us to dispense with every second bulb. Power consumption was also reduced by 50 %. At the parcel and mail center in Essen alone, the potential savings in 2008 amounted to around €26,000. This idea enables us not only to reduce costs but also to protect the environment.

Idea Management (Group) (as of December 31)

	2006 ¹	2007 ¹	2008
Savings per employee in €	498.46	468.06	499.98
Number of suggestions for improvement	206,642	198,923	218,711
Number of accepted suggestions	200,058	178,019	162,471
Total benefit in € millions	264.2	248.0	265.0
Total costs in € millions	12.8	12.0	12.5

¹ Restated



Our Idea Management system has fostered innovation for 10 years. Depending on the potential savings, we reward our employees' ideas with up to €100,000.

74 %

We implemented 74 % of our employees' ideas submitted through Idea Management.



Award winning ideas

In 2008, our Idea Management program was presented with an award by the *Deutsche Institut für Betriebswirtschaft (dib)*. An idea mentioned in our Sustainability Report 2008 to recall air freight straps won an award in the "International" category. This suggestion for improvement has now been implemented at other aviation hubs and dispatch centers in Europe. In the "National" category, the "Handyporto" postage idea won. The idea of allowing people to purchase stamps from their cell phones was introduced in Germany in late 2008.

The idea: Waste separation reduces costs

If waste is sorted correctly, smaller containers for residual waste are needed and garbage disposal fees can be reduced substantially. This simple but effective idea was submitted by our employee Hans-Jürgen Weber. Through the implementation of an optimized waste separation system, his branch was able to downsize waste containers to the minimum volume specified by the municipalities. The idea enables his branch to save €34,000 annually. If most of our other branches were to follow this example, we could save a substantial six-figure sum.

► Next steps

In 2009, we will:

- ensure that our Group-wide Idea Management system is anchored more firmly in all regions and divisions
- expand the exchange of best practices in our global Idea Management network.

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In 2008, we were presented with the German Corporate Health Award for our outstanding commitment to occupational health.

Promoting health and safety

The health and safety of our staff are basic prerequisites for our corporate success. The modern working world places new demands on our staff in terms of flexibility, mobility, and resilience. This explains why we are not content with one-off campaigns, but focus on a sustainable health and accident prevention policy. Promoting health and safety is an integral part of our management systems. At regular intervals, we use key performance indicators (KPIs) to monitor the progress that has been achieved.

Group-wide health guidelines

In November 2007, we adopted our Corporate Health Policy. It defines a common understanding of Group-wide health management and incorporates our objective – to protect and promote the health and safety of our staff – into a clearly structured management system. The Corporate Health Policy is based on our Corporate Values and on our Code of Conduct (see p. 08). It goes beyond the fulfillment of the relevant national statutory requirements for occupational safety and health.

Holistic approach

Health management that merely seeks to reduce absenteeism, occupational illnesses, and risk potential falls short of the mark. As it is hardly possible to draw a clear distinction between professional and private factors, we rely on holistic measures that take a person's individual lifestyle into account.

Health management

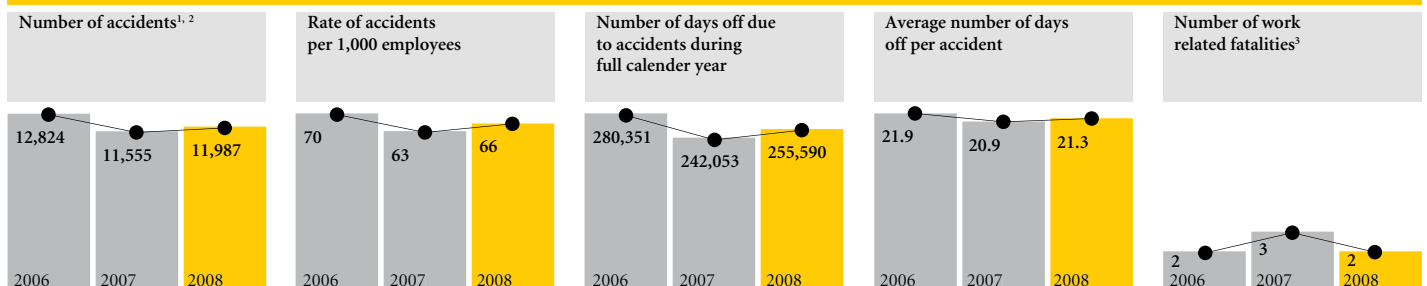
In December 2008, we were presented with the German Corporate Health Award for our outstanding commitment to occupational health. The award was presented by the EU Commission and *BKK Bundesverband* (German Federal Association of Health Insurance Funds) as part of the "Move Europe" campaign.

The health promotion system that has been firmly established in Germany continues to be a role model for other countries. The "health" working groups set up across Germany implement around 5,000 health promotion measures each year. Areas covered include ergonomics, exercise, nutrition, and stress management. We have also initiated preventative measures such as breast and bowel cancer check-ups, as well as medical screenings for cardiovascular disorders and back pain.

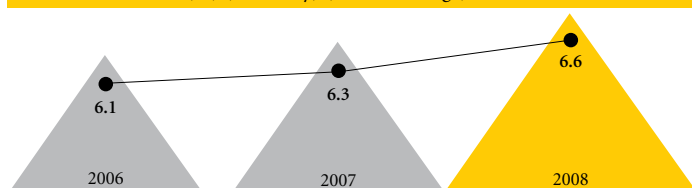
Sharing best practice

We present a Health Promotion Award each year as part of our Corporate Health Policy. The results of the competition are published in the internal health portal in order to promote the exchange of best practice.

Occupational safety (Deutsche Post AG)



Sickness rate (%) (Germany) (annual average)



¹ Accidents with more than one day off, including accidents on the way to and from work.

² The decline in accident figures between 2006 and 2007 is related to the introduction of the Global Road Safety Initiative in 2007.

³ Excluding accidents on the way to work.



“Health” working groups across Germany initiate around 5,000 health promotion measures each year.

245,000

The information and training materials of our Global Road Safety Initiative have been viewed over 245,000 times on our intranet since the campaign was launched in 2007.



DHL Tradeteam won a Health Promotion Award for its injury prevention and proactive rehabilitation service. Operational employees manually handle barrels weighing up to 200 kg.

Health Promotion Award 2008

In April 2008, and for the first time, we presented a Corporate Health Promotion Award for exemplary health-based initiatives:

- DHL Express Brazil was presented with an award for its endeavors to combat Repetitive Strain Injury (RSI). It introduced ergonomically-optimized IT workstations and occupational exercises that led to a reduction of sickness days due to RSI. The measure has been part of the existing health management system for years
- DHL Express Singapore won an award for an initiative aimed at promoting a healthy lifestyle. This initiative comprises a comprehensive, modular program for promoting the health of employees, for instance by offering annual health screenings, sports, free fruit for staff, and discussion rounds on health-related issues. This educates staff on how to stay healthy and encourages them to take responsibility for their own health
- Tradeteam, a subsidiary of DHL in the UK, ran an occupational rehabilitation program for more than 1,800 employees and drivers that received an award
- DHL Express South Africa earned a special award for its comprehensive program aimed at protecting its staff from HIV/AIDS.

Sick days at a low level

By implementing effective health promotion measures, we have reduced the number of sick days in the past 10 years. In 2008, sickness levels in Germany were still low at 6.6 % (2007: 6.3 %). The slight increase in the number of sick days reflects the general trend in Germany.

Pandemic planning

Deutsche Post DHL is aware of the special risks that pandemics pose for a global logistics company. We have drawn up crisis plans in all divisions in order to minimize these risks. In 2008, we fine-tuned and updated our pandemic plans in order to prepare the company for a potential influenza pandemic. We appointed a pandemic steering team that manages our Group-wide pandemic preparedness program.

Global Road Safety Initiative

Every day, thousands of Deutsche Post DHL employees are on the road – in cars and trucks, on bicycles or on foot. As a logistics company, responsible behavior on the road is very important to us, in order to protect our staff and all other road users.

In 2008, we successfully promoted our Global Road Safety Initiative, launched in 2007 throughout the Group. At the heart of this campaign is our Road Safety Code, a list of seven simple, effective rules for responsible behavior in road traffic.

In order to communicate the rules within the Group, we launched our “Superhero Campaign” in early 2007. The rules in the Road Safety Code are personified by seven cartoon figures. Rather than issuing warnings, they encourage road users to show responsible behavior and foresight on the road. We have information and training material in up to 16 languages available on the intranet. The documents have been viewed around 245,000 times since the campaign was launched.

New topics and materials

In 2008, we fine-tuned the campaign, adding new topics such as the use of seat belts. We also developed a web-based training, where users learn to deal with dangerous road traffic situations together with the superheroes. The interactive “Road safety first” training module is available via our Group-wide e-learning portal, mylearningworld.net.

With the aid of the Global Road Safety Initiative, we have been able to reduce the number of traffic accidents in which employees are injured. Having managed to sharply reduce the number of accidents in 2007 compared to 2006, we managed to keep the number of accidents that occurred in 2008 at the previous year’s low level.

DuPont Safety Award

In 2008, we received the DuPont Safety Award in the “Innovative Approach” category for our Global Road Safety Initiative. The renowned award acknowledges outstanding achievement in promoting occupational safety. This award and the positive response to the initiative tell us we are on the right track. We will continue to take road safety extremely seriously and will continue with the campaign throughout 2009.

► Next steps

In 2009, we will:

- press ahead with ensuring that our Corporate Health Policy is firmly anchored throughout the Group
- expand the information and training materials on the Road Safety Code available on our intranet
- develop additional material on various aspects of road safety, such as “Road safety and children” and “Road safety for professional drivers”
- promote the international implementation of the Global Road Safety Initiative by exchanging examples of best practice.

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Over
14,000

Highlights
Thousands of employees participated in local projects in their community. And over 14,000 employees helped people in local communities during our regional Volunteer Day.





Challenges

We want to encourage more employees and managers to get involved in social projects.



Achievements

Disaster Response Teams showed they are ready to deploy, anytime, anywhere a natural disaster strikes. We extended our partnership with the United Nations to 2010.



Targets

We want to focus our engagement on education, environment, and disaster management. Therefore, we have established strategic partnerships and support local community investment projects.



Personal commitment: Social engagement

Our employees and the Group support local educational initiatives worldwide. “Xpress Yourself” invites students in Bonn to compose and write their own songs. By participating, they improve their language and music skills. In a final concert, they impress with the high quality and profound content of their songs.

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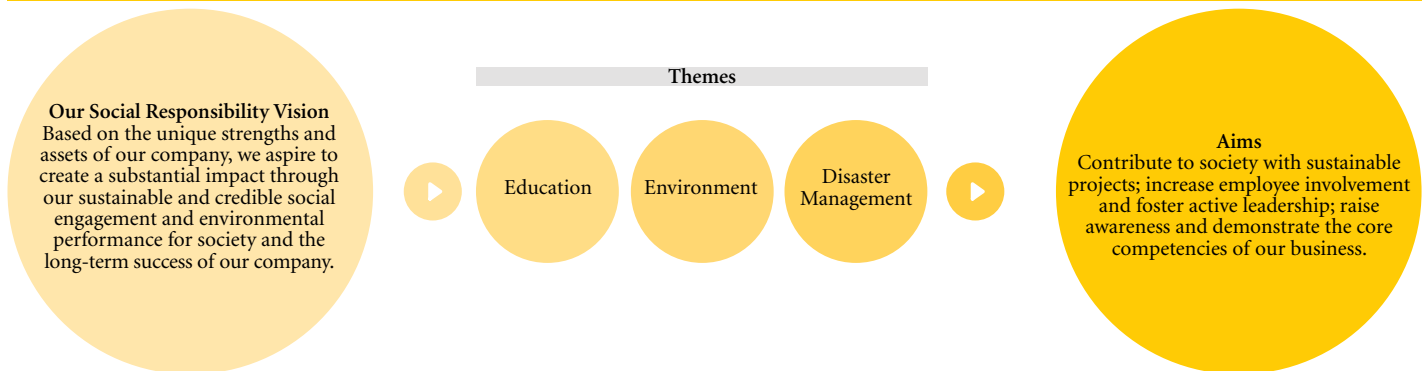
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Our roadmap for corporate social responsibility has been laid out. We focus our social engagement on the areas of education, environment, and disaster management.

Defining our roadmap to 2015

Corporate Social Responsibility Strategy



As the global market leader in logistics, with local activities worldwide, we want to set the pace for accepting our social responsibilities, one of our Corporate Values. We strive to integrate social concerns into our operations and to improve our interaction with stakeholders. In parallel, we help to tackle social challenges with our logistics competencies and our employees' know-how. We view this as our "corporate social responsibility" (or CSR). In the end, our commitment serves both societal needs and contributes to our long-term business success.

A clear direction

Our employees have a long legacy of supporting community investment projects that meet local needs. They shape the future of our community relationships.

During 2008, we re-examined our social responsibilities, taking stock of what we do and what we achieve for society. To ensure that our involvement in communities is relevant to our business, and targeted where we are uniquely equipped to help, we updated our CSR strategy (shown above). We defined three themes where we want to make a difference: education, environment, and disaster management.

We believe this is the right focus for us, and will attract wide support from our employees and management. To complement local community investment projects, we offer global platforms with non-profit organizations that our employees can get involved in. Local community activities and our centralized programs help us demonstrate that we are a good corporate citizen.

We will concentrate our social programs in these areas in the coming years. At the same time, we recognize the value of initiatives

that our employees undertake to respond to other pressing local needs. The following pages show how we strike the balance between a clear global focus and local ownership.

Measuring progress on the way

We want our social programs to generate concrete results for society and for our business; this increases the importance of consistently measuring our progress. Communicating the outcomes helps others to hold us accountable for what we do. Identifying relevant data sources is not always easy. Established instruments like our Employee Opinion Survey (see p. 10 and 27), and bespoke surveys and studies help us to understand awareness, reactions, and outcomes.

In many ways, we are on track. In 2008, 56 % of all employees said they were aware of our social responsibility activities. A London Benchmarking Group study (see p. 44), confirmed our UNICEF partnership project in Kenya made a concrete difference to people's lives. A survey of senior managers on our programs attracted a high response rate of around 40 %, and overwhelming agreement (96 %) that our activities are respected for bringing our Corporate Value on social responsibility to life. It also showed that we can do more to convert this interest into action. We are working on better communication and making access to our CSR programs easier.

To give a more complete picture of CSR, we are rolling out key performance indicators (KPIs) during 2009. Together with a peer group of German companies, we joined a corporate citizenship reporting working group, initiated by the Bertelsmann Stiftung. This group develops ways to document, monitor, and evaluate corporate citizenship and to understand the results for society. Future reporting will benefit from both of these initiatives.

96 %

Our senior managers overwhelmingly believe our CSR programs bring our Corporate Value of social responsibility to life.



Education is one of our focus areas. We therefore support the development and roll-out of Teach First Deutschland's program in 2009.

//

CSR programs are important for the business. Not only for the philanthropy that's behind the projects, but also for building the relationship with the local community and business society that we operate in.

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Keep up the good work. Do more, publish more.

//

Selected responses, Deutsche Post DHL 2008 anonymous survey of more than 1,300 corporate executives

Our thematic focus areas

Education: By supporting education we want to improve peoples' chances to gain better perspectives in life and strengthen the knowledge base in the populations we serve. As one of the largest employers in the world, we rely on knowledgeable people to serve our customers and become first choice in their regard. We share an interest with wider society in tackling educational inequalities around the world.

Environment: As a global transport and logistics company, environmental sustainability is a critical issue for us. We want our employees to have the skills and knowledge to change behavior and protect the environment. And our employees have addressed environmental issues through local community investment projects for a long time. We will give these efforts more prominence and support by linking up volunteering drives with some of our other internal campaigns encouraging green choices at work and elsewhere (see p. 18 and 33).

Disaster Management: We are uniquely placed to offer the logistics expertise needed to prepare for a natural disaster and to respond to one. This expertise can keep humanitarian aid moving through airports when sudden-onset natural disasters strike. At the local level, our business divisions working in communities near disaster zones often contribute additional aid and transport essential supplies. This will remain a cornerstone of our global program.

Future focus with Teach First Deutschland

We encourage investment in education initiatives across our worldwide operations. In Germany, our home market and the location of our corporate headquarters, education has become a crucial public issue linked to social disparities. Therefore, we entered into a long-term cooperation with Teach First Deutschland in February 2009.

Building on highly successful programs in the USA and the UK, Teach First Deutschland's program will be implemented in Germany throughout 2009. Its mission is "to enlist tomorrow's most promising leaders to teach at today's schools in order to build a movement for equal educational opportunities."

The organization will recruit the best and brightest graduates, train them, and supervise them as temporary teachers (or "Fellows") who support existing teachers in underserved junior, intermediate, and comprehensive secondary schools for two years. As young role models, Fellows help students to make best use of their potential.

Through our partnership, we want to encourage graduates to participate in the Teach First Deutschland program, and we want individual students to improve their performance at school. At the same time, we have an ongoing need for well-trained, capable staff with different levels of qualifications.

In addition, with Teach First Deutschland we will finance and run summer camps for students which will be developed and conducted together with the German Foundation for Children and Young People. We will also invite our managers and employees to volunteer as guest speakers, or to get involved in extracurricular educational projects in participating schools.

Next steps

In line with our refined CSR strategy, we will:

- strengthen our activities in the areas of education, environment, and disaster management
- align our CSR programs with our core business, motivating employees to become involved by offering them more possibilities and more visible recognition of their projects
- as part of our focus on education, support the roll-out of Teach First Deutschland's program, and evaluate the initiative for international expansion
- improve the transparency and understanding of what we do by providing a KPI system and tools to improve data collection.



www.teachfirst.de

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270

270 employees from all business divisions and regions signed up as Ambassadors to promote our partnership with UNICEF. With their support we want to help UNICEF to save lives.

Accepting social responsibility: Together

Our employees also go the extra mile when it comes to social responsibility. We – and especially our managers around the world – actively support their social commitment. Social responsibility offers employees opportunities to get involved. And involvement promotes motivation. We offer a range of volunteering and fundraising programs and events. In 2008, we developed new tools to satisfy the growing demand for ways to meet social challenges, at both the global and local level.

Our employee Ambassador program

Dedicated employees from across our worldwide operations put our UNICEF partnership into action. We created the role of “UNICEF Ambassadors” in 2008. An “Ambassador” has a mandate to promote our partnership with UNICEF among colleagues and spearhead fundraising drives. They receive a special communications toolkit, regular newsletters and they are invited to apply for an annual fundraising award.

The 34 volunteers who supported our project with UNICEF in Kenya on the ground over the last three years became the first Ambassadors. Having first-hand experience of the project, they are the most credible and vocal advocates for promoting the goal of saving children’s lives.

In December 2008, six weeks after launching the Ambassador program across our business, 270 Ambassadors from all divisions and corners of the globe had signed up: a good start. We are optimistic that they will be a catalyst for exciting results during 2009 and beyond.



Frank Schmalfeldt,
First Choice Office,
Global Business
Services, Germany

“

It was amazing to see how much the DHL-UNICEF partnership contributed to improving the health situation for children in this environment. Seeing the “big picture” showed our team, on the one hand, how grateful we can be about the way we live and, on the other hand, that sharing and caring is necessary and effective.

”

Thank you

We are grateful for the commitment of our employees to numerous community groups and projects around the world. This report does not offer space to recognize all of them, but it offers us a means of saying “Thank you”. Together we are making a difference.

Fundraising platform

We launched a dedicated intranet portal to promote our employees’ efforts to raise funds for UNICEF. The site features testimonials from volunteers, best practice examples of employee fundraising drives, checklists and organizational advice. The portal is designed to honor exemplary initiatives by employees, inspire employees to launch similar initiatives, and to enable UNICEF Ambassadors to work together – even over long distances.

Community investment toolkit

During a sustainability network conference in autumn 2008, a first draft of a community investment toolkit was discussed. The toolkit contains advice and ideas to help employees get fundraising and community projects off the ground.

The document highlights examples of projects from different business units and locations. It emphasizes the importance of looking for lasting solutions within our three themes for CSR. And it promotes getting people from different parts of our company to work together. We will continue to develop the toolkit in 2009 as employees use it and send us their feedback.

Next steps

We want to harness employee enthusiasm to:

- build on the momentum created by the Asia-Pacific Regional Volunteering Day 2008 to foster local volunteering activities by our employees in the areas of education, environment, and disaster management
- raise sufficient funds for UNICEF, with the added support of our new engagement tools, to vaccinate 50,000 children against the top six preventable child-killing diseases: tuberculosis, diphtheria, whooping cough, polio, measles, and tetanus, by summer 2009.

53,000

53,000 volunteer hours were invested in our Asia-Pacific DHL Regional Volunteer Day, which supported 61 projects.



Employees in 23 countries addressed local social and environmental challenges. Projects ranged from educational events to tree planting, and inspired employees to continue volunteering.

Asia-Pacific Volunteer Day



In August 2008, more than 14,000 employees – approximately a third of our employees in the Asia-Pacific region – in 23 countries participated in 61 community projects addressing local social and environmental challenges.

While there is a tradition in our business of conducting national and local volunteer days, DHL Regional Volunteer Day Asia-Pacific was a powerful demonstration of the deeper impact we could have by working together across country borders and business divisions. This day gave employees an opportunity to contribute to their communities, provide support for an issue or need in society, demonstrate commitment to the communities we are a part of, and build team spirit. Country businesses were encouraged to select projects that supported DHL's corporate CSR strategy. For this first regional event, however, countries had the flexibility to select other projects based on employee interests and community needs.

Over 53,000 volunteer hours were dedicated to a variety of projects, ranging from environmental protection to educational

“

I can feel the DHL spirit. It doesn't matter from which business unit we come from or what level we are, on that day everyone is helping together.

”

events. Many of the projects involved children but also the elderly. Here are a few examples:

- 927 volunteers planted 2,400 native mangrove seedlings in a conservation area in Indonesia (see photo p. 13)
- in an act of solidarity, volunteers from offices in six Japanese cities cleaned up areas around our facilities, nearby parks and streets
- in the Philippines, 164 volunteers transported materials needed in the construction of a new school building. This included gravel, hollow building blocks, and steel. Then, they built the building's 60m² foundation
- employees in Pakistan organized a day of entertainment for orphans in SOS Villages in four cities. Seven hundred children enjoyed magic shows, art competitions, tree planting activities, and a cricket match
- blood donation drives in India yielded almost 80 liters of blood for the Red Cross and another local blood bank.

Feedback from community partners DHL supported was overwhelmingly positive:

- almost all the community partners felt volunteering assisted them in furthering their objectives, and stated that half of the volunteering activities undertaken would not have happened without our employee volunteers
- 78 % agreed that the volunteering helped them to raise awareness of their organization and the issues they support.

We hope Volunteer Day will have a far-reaching social impact. Eighty eight percent of our volunteers said they intended to continue volunteering privately.

We will look for more ways to have a deeper and longer-term impact, and contribute our core skills for the benefit of our partners in future volunteering initiatives.

“

We need to set up a long-term volunteering program to continue volunteer activities.

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Selected employee reactions from DHL Regional Volunteer Day Asia-Pacific anonymous follow-up survey

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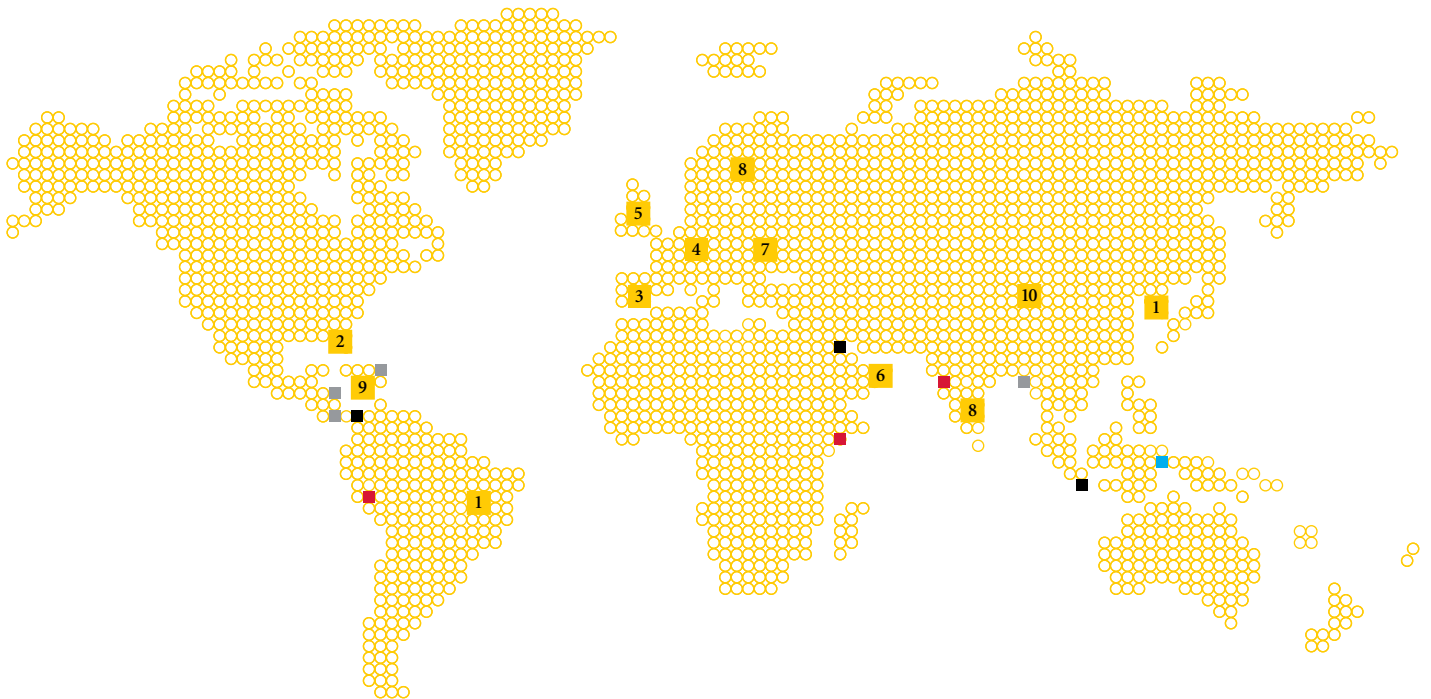
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A difference worldwide in 2008

As a major global employer, we support our people to actively contribute to social challenges. We have established CSR platforms appropriate for local, regional, and worldwide projects. Collective action, be it through our strategic partnerships with the United Nations, or through local community projects with clear goals, is part of our understanding of corporate citizenship. We are working to achieve strong positive results for society and our business. In 2008, we delivered measurable results across the globe.



Map legend

Global DRT network ready to deploy anywhere, anytime

■ Panama ■ Dubai ■ Singapore

DRT deployments and assessments 2008

Deployments

■ Myanmar, Cyclone Nargis
■ Panama, flood

Assessments

■ Honduras, hurricane
■ Turks and Caicos Islands, hurricane

GARD – airports assessed, disaster preparedness planning

■ Two airports in Indonesia

UNICEF health education projects

■ Kwale District, Kenya
■ Areas of Ayacucho, Apurimac, and Amazonas, Peru
■ Nandurbar District, India

Community investment initiatives

■ Exemplary community investment initiatives demonstrating how employees are involved in volunteering, fundraising, or in-kind transport, as well as sponsorship

▶ Next steps

During 2009, we will continue to encourage a clear direction for community investments, in order to:

- recognize the contribution of individual projects within our global strategic CSR framework
- tighten the thematic focus of initiatives on education, environment, and disaster management
- make best use of our core competencies and get employees from different divisions in our Group working together.



www.dp-dhl.com/sustainability

Employees around the world are active in community investment initiatives. We will increase recognition for outstanding community efforts during 2009.



Community investment initiatives

Thousands of our employees get involved in, and lead projects to support their local communities. They have an intimate understanding of the needs around them. Their projects generate a team spirit that they bring back into the workplace. At a global level, we support and recognize their efforts.

1 Resources for libraries



Libraries are the focus of many employee-supported initiatives on different continents. DHL Express Korea provided free delivery of construction materials for the ST-EP foundation, part of the UN World Tourism Organization. It also sponsored two school libraries in Vietnam, by delivering 900 kg of educational supplies. In Brazil, DHL Supply Chain donated 10,000 books to 14 institutions following a two-month long book drive led by all 44 of our facilities.

2 Brand new books to US schools



Great excitement greeted our delivery vans when DHL Express USA partnered with the Hello Friend/Ennis William Cosby Foundation to deliver new books to two elementary schools in Miami, Florida. The deliveries were part of the Foundation's campaign to deliver 20,000 new books to 12 schools in the area.

3 Supply drive in Spain



DHL Express Spain is the logistics partner of the Theodora Foundation. In 2008, we made over 400 shipments of educational material for "clown doctors" who visit hospitalized children. In addition, free shipping for five other non-profit organizations took building materials and educational supplies to schools as far away as India, Madagascar, and Nicaragua.

4 Responding for Santa



A record number of letters flooded into Germany's most popular Christmas post offices in 2008. Children sent more than 9,000 Christmas wish lists to the town of Himmelpfort (Pearly Gates, population 500) answered in 15 foreign languages. Overall, post offices across Germany received, and ensured an "official" reply to, over 280,000 letters.

5 Helping KidsOut in the UK



When a mother leaves a situation of domestic violence, she and her children often leave everything behind. DHL Express UK's charity partner, KidsOut, runs a "toybox scheme" for the Women's Aid Federation of England and Northern Ireland, which sends boxes of toys to children who are re-housed as a consequence of domestic violence. DHL delivered more than 1,000 boxes for KidsOut in 2008.

6 Connecting cultures in Oman



In 2008, the European Year of Intercultural Dialogue, DHL again supported the Connecting Cultures expedition to Oman. For the third year, the five-day program brought 15 young people from six European and Middle Eastern nations to the Sharqiyah Desert. During their trek, the young people learned about Middle Eastern history and culture, intercultural discussion, and leadership skills.

7 Planting trees and building cycle tracks in the Czech Republic



More than 40 employees participated in planting lime trees near Břas and in building a new lay-by for cyclists near Olomouc. The cycle track is a part of the Greenway Krakov–Moravia–Wien international cycle route. The employees levelled the surface around the wooden lay-by, prepared an access path from a road with gravel, and fixed wooden railings.

8 Harnessing the sun for rural communities



DHL Global Forwarding (DGF) India initiated a project to install solar-powered street lights in rural areas. The lights ensure that the basic public lighting needs of villages are met. In another project, DGF Sweden shipped over 100 solar panels to Uganda for the organization "Insert Africa". The panels will power a water treatment facility, and increase access to clean water.

9 Humanitarian aid to Haiti



Four tropical storms hit Haiti in less than one month last fall. Our Caribbean, Guadeloupe, Haiti, and Aviation Americas teams joined together to send two flights packed with relief goods to Port-au-Prince. The flights delivered over 22,000 kg of goods from Red Cross Guadeloupe and from donations collected across the city of Miami, Florida.

10 DHL delivers relief goods and supports recovery after the Sichuan earthquake



When the Sichuan earthquake struck in May 2008, employees at DHL-Sinotrans, DGF China, and DHL Exel Supply Chain China donated more than €200,000 and initiated emergency rescue and disaster relief efforts. In September, employees donated 10,000 schoolbags containing dictionaries, stationery and books to earthquake-stricken areas.

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Employee volunteers get to know families during their stay in Kenya. In the volunteering program, 13 colleagues had the chance to gain first-hand impressions of UNICEF's work in the field.

Saving lives through health awareness promotion

We have partnered with UNICEF since 2006 to help achieve the Millennium Development Goals (MDGs). Our joint health education projects in Kenya, Peru, and India help fight extreme poverty, reduce child mortality, promote education, and empower women. As a key pillar of the partnership, and additional to our corporate donations, our employees are actively involved as volunteers and as fundraisers.

Most importantly, our support for the Kenya project has enabled health professionals to save children's lives. Based on this success, we expanded our partnership with UNICEF to support new initiatives in India, representing the Group's Asia-Pacific region, and Peru, representing the Americas. All three country projects have the same goal: to promote health awareness and access to health services in rural communities.

"Commended Company"

For our assistance with the distribution of 3.5 million mosquito nets in Kenya in 2006, we have been awarded "Commended Company" at the 2008 Global Business Coalition Awards for Business Excellence in the fight against HIV/AIDS, Tuberculosis and Malaria.

Successful start in Kwale, Kenya

Kwale District in the southeast of Kenya has approximately 600,000 inhabitants, served by 58 health centers. The region faces big challenges in tackling child mortality.

The analysis of the largest-ever health campaign in Kenya in 2006, where DHL helped to distribute mosquito nets, showed that people often do not use health services because they do not know about their existence. To raise awareness among the rural population, we decided to support the *Malezi Bora* (Swahili for "Good nurturing") campaign initiated by the Kenyan government and supported by UNICEF, in 2007 and 2008. Through road shows and media messages, the population was made aware of disease prevention and the availability of health services.

Our employee volunteering program with UNICEF is closely tied to our financial support of the *Malezi Bora* weeks. In 2008, 13 employee volunteers from nine countries helped out in the *Malezi Bora* 2008 campaign, which focused on the topic of "Sanitation and Hygiene". They distributed vitamin A capsules to boost children's immune systems, performed plays about health precautions such as washing hands, and weighed children to detect early developmental disorders. The volunteers also accompanied

health workers on outreach visits to 15 families in the countryside. Through these home visits, families that normally do not have access to health services receive health advice and medical supplies such as mosquito nets for children. The long-term goal is to encourage families to attend health facilities regularly, where they can receive free vaccinations and health checks.

Through a portfolio of activities ranging from the provision of vaccines and drugs, to health awareness campaigns and staff training, we want to contribute to getting over 95 % of children in Kwale fully-vaccinated against the six major preventable child-killing diseases and to a 5 % reduction in the incidence rate of malaria for children under five. Progress is being tracked continuously by UNICEF.



On many occasions, institutions and hospitals have offered donations of material that we have not been able to accept due to the high cost of transporting goods to Kenya. That is why we especially value the help that DHL has given us this year.



Dr. Moses Maina, Director of Consolata Hospital, Kyeni, Kenya

Lives saved

In June 2008, together with UNICEF, we assessed the first two years of our partnership in Kenya. The London Benchmarking Group confirmed the positive achievements of our joint project.

Thanks to DHL's support with the distribution of bed nets, 1.2 million households in rural areas received long-lasting mosquito nets in 2006.

The country-wide *Malezi Bora* media campaign in 2007, which we co-sponsored, reached six million Kenyans and resulted in a 9 % increase in children visiting health centers immediately after the campaign.

The *Malezi Bora* road shows in Kwale, supported by our volunteers in 2007, reached 25,000 people.



www.dp-dhl.com/unicef
www.unicef.org

€400,000

Since September 2006, our employees have raised almost €400,000 for our UNICEF partnership.

500

In our Peru project, more than 500 health professionals and local officials were trained in pediatric health and nutrition care in 2008.



Hermann Ude
CEO of DHL Global Forwarding, Freight and Board Member of Deutsche Post DHL, at the project launch in the Rosaspata community, Peru

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I wanted to get a real picture of the project first-hand and show my support to the local management and to the entire Group for this endeavor. As a father of three children myself, I can understand how important this is to the local people. As a manager, I am impressed by this well-organized project. It represents true change management, as it is well implemented within the local community and its culture, instead of being brought onto the people from outside.

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Educating children and mothers in Peru

Six out of 10 Peruvians in the remote areas of Ayacucho, Apurimac, and Amazonas live in extreme poverty on less than US\$1 per day. In 2005, 37 out of 1,000 children died within their first year; the mortality rate among children under five years old was 50 per 1,000, compared to the national average of 32.

In November 2008, UNICEF, with our support, launched a project to raise awareness among the indigenous population on how to prevent diseases and the importance of early childhood education. For example, we are funding the provision of medical supplies to 40 basic health stations and educational toys for young children. In remote mountain villages health workers talk to local people about health risks and the benefits of vaccinations. They make sure that pregnant women receive the medical care they need. The project reaches about 2,100 pregnant women and 6,600 children under the age of three.

The goal of the project is to reduce infant mortality, low-birth weight, and chronic malnutrition in under-threes by 10 % by the end of 2010, and 95 % of children under 18 months in the districts should be fully-immunized by then.



Empowering 1,000 villages in Nandurbar, India

In November 2008, we began supporting a three-year project to reduce malnutrition and infant mortality in 1,000 villages in the Nandurbar District of Maharashtra, India. The current rate of under-five mortality in Nandurbar is 75 per 1,000 live births and 58 % of children are malnourished. A staggering 300 out of 100,000 women die during the delivery of their baby each year.

UNICEF works with communities and municipalities to help strengthen the local health infrastructure. For example, within the project, village health and nutrition plans are being developed, village information posts set up, and about 2,000 health workers and midwives are trained in newborn and pediatric care.

Our contribution will help to achieve the Indian government's goal in line with the MDGs to save 1,500 lives per year.

► Next steps

By supporting the implementation of the MDGs, UNICEF makes a difference for children:

- during 2009 and 2010, we will continue to support UNICEF's projects to promote the survival and development of children in Kenya, Peru, and India
- by linking health interventions with awareness-raising measures, we are supporting UNICEF to build local capacity and to make sustainable progress for children.

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200

There are 200 trained employee volunteers in our Disaster Response Teams (DRTs): Ready to deploy anytime, anywhere.

Natural disasters: Being prepared and improving logistics

Natural disasters during 2008 caused the death of over 220,000 people, and economic losses totaling US\$200 billion worldwide.

One cannot always predict when sudden-onset natural disasters will strike, but when they do, we are prepared to deliver help.

Our core expertise in logistics can keep essential supplies such as food, medicine, and hygiene kits moving when a disaster strikes and high volumes of incoming aid overwhelm airports. We are uniquely placed to support the work of agencies and governments in these situations. We want to help.

Partnership: The way to make a difference

We believe the best way to help is by contributing our core skills through a long-term humanitarian partnership. Such a partnership enables us to match our experience to a skills or resource gap within the organization. We can pass on our knowledge and innovations to help others better prepare for disasters.

Since 2005, we have had a partnership with the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) and the United Nations Development Programme (UNDP). Part of our commitment is to keep Disaster Response Teams (DRTs) trained and ready to deploy, anywhere in the world – quickly, efficiently, and professionally. About 200 of our employees have received disaster response training.

We have renewed both partnerships to the end of 2010. Our experience responding to disasters during 2008 reaffirmed that OCHA and the UNDP are the right partners to work with. We signed “Memoranda of Understanding” with China and the Philippines earlier, and one with Sri Lanka in 2008. They help minimize the administration needed to start a deployment, so we can start helping on the ground faster. They set out the types of services, such as warehousing, that a DRT could offer a government dealing with a natural disaster. We are pursuing further discussions in Asia during 2009.

Effective help in Latin America

During 2008, our DRT volunteers also traveled to Panama, Honduras, and the Turks and Caicos Islands.

A series of powerful hurricanes swept through the Caribbean during September and October 2008. DRTs were requested to assess the need for logistics support in Honduras and the Turks and Caicos Islands in the aftermath. We helped local relief agencies to set up two warehouses in the Turks and Caicos Islands and provided logistics advice to local personnel there and in Honduras. Although full-scale deployments were not deemed necessary, we were ready to respond.

After severe flooding affected over 25,000 people in Panama in November 2008, our DRT fulfilled the UN’s request to take over warehousing and inventory management at the David Airport in Chiriqui Province.

Experience helps in Myanmar

Cyclone Nargis affected 2.4 million people in the Irrawaddy Delta region of Myanmar in May 2008, by OCHA estimates. The international humanitarian response faced significant challenges. Our DRT of 11 volunteers from Bangladesh, Singapore, and Malaysia was able to take part in this effort thanks to our track record with the UN.

With large populations isolated by flooding, and manpower for international organizations very limited, our DRT was assigned the task of coordinating incoming shipments from approximately 17 humanitarian organizations and UN agencies. The DRT managed a central relief warehouse near Yangon Airport. It worked closely with UN representatives to accept and inventory the shipments, store the goods correctly, and ensure that approximately 2,200 tonnes of aid were ready for the relief agencies to take to communities in the Delta region.

The DRT managed to effectively carry out a successful warehouse operation in these difficult circumstances. It also furthered our reputation with the UN, and it created a solid platform for a local provider to continue the operations when we left.

LEO Award

Our Disaster Response Teams received the “People of the Year” LEO Award from the German logistics magazine *DVZ Deutsche Logistik-Zeitung*. This recognition from our industry is very motivating. It honors the dedicated employees around the world who volunteer to give logistical support in the aftermath of natural disasters.



www.undp.org
ochaonline.un.org



Speedballs are durable courier bags converted into relief packages. Over 13,500 were delivered to flooded areas of India and Myanmar.



Our DRT supported the humanitarian response to ensure that aid was ready for the relief agencies in Myanmar.



John Holmes,
Under-Secretary-General
for Humanitarian Affairs
and Emergency Relief
Coordinator



Our cooperation with the Disaster Response Teams is very important for the UN because it allows us to draw upon expertise that we do not have, and in any case would not be able to afford to maintain all year long.



Transferring know-how

Wherever we deploy, we transfer our logistics knowledge to local partners on how to avoid bottlenecks at the airport. A handover and explanation of our warehouse system, planning documents, and other logistics knowledge is part of the Standard Operating Procedures after every DRT deployment.

Should no disaster strike, all the better. But experience we gain during our DRT deployments can still make a difference. Since 2007, we have been working with the UNDP and the government of Indonesia to develop a training concept that helps airports better prepare for, and speed up response to, natural disasters. We tested this newly-developed method for capacity assessments at the Palu and Makassar airports on the island of Sulawesi in October 2008.

Getting Airports Ready for Disaster (GARD) trainings are being rolled out using a “train-the-trainer” approach. Experienced DHL volunteers train local logistics staff and airport authority staff to conduct a thorough assessment of their facilities. They review whether they have adequate capacity, and a plan, to handle a surge of relief aid should a disaster occur.

The first two assessments were well-received. In 2009, we plan to accelerate training with the UNDP to enable more airports in disaster-prone areas to conduct trainings.

Speedballs

DHL employees developed “speedballs” following the South East Asian Earthquake in 2005. Speedballs, as we call them, are DHL courier bags that can hold 25 kg. In a relief operation they are



packed with relief goods such as food, hygiene kits, and building materials. They are waterproof and generally more robust than wheat sacks and boxes used in airdrops to remote and inaccessible areas. When they land on water, the bags stay afloat longer than other containers, allowing people to reach them.

Easy to use, speedballs are an example of how we can quickly hand over an innovation that benefits people in areas affected by natural disasters.

In Myanmar, DRT members showed staff from the United Nations High Commission for Refugees (UNHCR) how to pack the speedballs. We assisted UNHCR with the distribution of 2,000 speedballs which helped 10,000 people. And we provided another 3,400 bags, which UNHCR distributed after our deployment ended.

In August 2008, the Bihar region of India experienced the worst flooding it had seen for 50 years. Speedballs provided a good transport solution. DHL India donated 8,000 bags to make speedballs and four DHL volunteers demonstrated how to pack them.

► Next steps

In 2009, we will:

- continue the regular training of our DRT volunteers so that they are prepared to deploy anytime, anywhere
- work with the UNDP and national authorities to assess airport capacities and disaster plans using our joint GARD program in additional disaster-prone areas.

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Key










 Achieved

 Ongoing










 New target

Changing ways: Targets

Environment

Complete ISO 14001 certification for all MAIL and PARCEL operations in Germany		ISO 14001 certification achieved
Improve CO ₂ efficiency of our own operations by 10 % compared to 2007		Due 2012
Improve CO ₂ efficiency of our own operations and those of our subcontractors by 30 % compared to 2007		Due 2020
Target for air fleet replacement to be restated due to ongoing restructuring initiatives in our DHL Express USA operations		New target to be communicated in Sustainability Report 2010.
Test a new biomass fuel in Germany, and trial more hybrid trucks across Europe		Currently testing hybrids in Germany, UK and USA, and a biomass fuel in Germany
All new investment projects to be assessed for CO ₂ efficiency		Applies to all new investments as of 2009
Complete implementation of our core carbon accounting processes and related IT systems		Due 2010
Increase percentage of our operations which are certified to the ISO 14001 standard		2008 value: approx. 46 % (see p. 15)
Increase percentage of recycled and sustainably sourced paper purchased through our Procurement organization		2008 value: 84 % (see p. 22)

Employees

Continue our Executive MBA program		12 employees graduated since launch of the program in 2006
Integrate our Corporate Values more visibly into management performance assessments		Integrated our Corporate Values into motiv8 and relevant training
Run road safety campaigns on three topics and produce road safety materials in more languages		Rolled out campaigns on seat belts, eco-driving and speeding and published additional versions of the Road Safety Code in 16 languages
Offer awards to promote health policy alignment across operations; conduct analysis		Exemplary initiatives from four countries were recognized in our first awards ceremony
Roll out an Idea Management program focused on environmental performance in Germany		The contest in our MAIL division, Germany, generated over 11,000 environmental ideas
Launch a global e-learning platform		The mylearningworld.net platform was launched in 2008
Expand activ8		Roll-out of activ8 in Germany, Austria and Switzerland completed
Conduct our employee opinion survey (EOS) regularly		Conducted our second EOS in 2008. 76 % of our employees responded
Offer employment to all qualified apprentices in 2008		All qualified apprentices received offers, exceeding our Training Pact with the <i>ver.di</i> trade union

Employees (continued)		
Expand the scope of reported accident and sickness data		Due 2009
Continue expanding our road safety campaigns		Due 2009
Increase the number of users of mylearningworld.net		Due 2009
Expand our cooperation with universities and schools		Due 2009
Develop a Group-wide diversity strategy		Due 2009
Launch specific measures to confront challenges linked to demographic change		Due 2009
Anchor Idea Management more firmly in our regions and divisions		Due 2010
Society		
Pilot our GARD airports concept and consider making it available across disaster-prone regions		Launched two pilots and confirmed potential for international application
Expand our child survival and development support for UNICEF		Launched two new projects in Peru and India
Continue to strengthen volunteering through our expert volunteering and "Helping Hands Program"		Expert volunteers supported UN OCHA projects
Ensure our DRTs remain ready for action worldwide		DRTs are fully-staffed and ready for deployment
Develop platforms to promote employee support and volunteering for local communities		Launched Ambassadors program, fundraising intranet portal and community investment toolkit
Raise funds to enable UNICEF to vaccinate 50,000 children against the top six child-killing diseases		Due 2009
Implement a global KPI system and data collection tool to improve monitoring and transparency		Due 2009
Provide employees with more opportunities to volunteer, and more recognition of their efforts		Due 2009
Support UNICEF's work to reduce child mortality in Kenya, Peru, and India		Due 2010
Support the development and roll-out of a joint program with Teach First Deutschland		Due 2011
Strengthen our education, environment, and disaster management activities and align them with our core business		Due 2015

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We renew our commitment to the UN Global Compact's 10 principles in the areas of human rights, labour standards, the environment, and anti-corruption.

Deutsche Post DHL signed the UN Global Compact (UNGC) in 2006. Our commitment to responsible business practices, including respect for human rights, our employees, the environment, and wider society, are enshrined in our Corporate Values and our Code of Conduct.

Since becoming a formal signatory, we have embraced the 10 principles of the UNGC, and continuously support them. We are committed to upholding human rights within our sphere of influence.

Within our CSR program, we established strategic partnerships with the United Nations in 2005. We have extended our partnership with OCHA and UNDP until 2010, and continue our partnership with UNICEF.

We are an active member of the German UNGC Network. In October 2008, we hosted the UN Global Compact VI Annual Local Networks Forum at our headquarters in Bonn.

We published our first Communication on Progress (COP) in July 2008. The table below illustrates our efforts in the timeframe since our last COP until February 2009.

Principles	Commitment	Systems
Human rights		
<p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.</p> <p>Principle 2: Businesses should make sure that they are not complicit in human rights abuses.</p>	<p>We respect human rights within our area of influence and operate our businesses in such a way as to make us an exemplary employer. We aim to be the preferred employer in our industry, with a respectful common culture, and support for our employees' wellbeing:</p> <ul style="list-style-type: none"> • Embedding a common culture, p. 26 • Promoting health and safety, p. 34 	<ul style="list-style-type: none"> • Corporate Values, p. 08 • Code of Conduct, p. 08 • Supplier Code of Conduct, p. 23 • Corporate Health Policy, p. 34 • Global Road Safety Initiative, p. 35
Labour		
<p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p> <p>Principle 4: Businesses should support the elimination of all forms of forced and compulsory labour.</p> <p>Principle 5: Businesses should support the effective abolition of child labour.</p> <p>Principle 6: Businesses should support the elimination of discrimination in respect of employment and occupation.</p>	<p>We respect the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO).</p>	<ul style="list-style-type: none"> • Code of Conduct, p. 08 • Supplier Code of Conduct, p. 23 • Deutsche Post DHL has explicitly and unequivocally spoken out against and does not tolerate any form of forced and compulsory labour and child labour. • German Corporate Governance Code, p. 08 • Embedding a common culture, p. 26 • Working with employee representatives, p. 27 • Deutsche Post World Net Forum and Social Dialogue Committee for the postal sector, p. 27
Environment		
<p>Principle 7: Businesses should support a precautionary approach to environmental challenges.</p> <p>Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.</p> <p>Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.</p>	<p>We recognize that our transport and logistics activities have an impact on the environment, and prioritize the issue of climate change:</p> <ul style="list-style-type: none"> • How GoGreen helps us change our ways, p. 14 	<ul style="list-style-type: none"> • Corporate Values, p. 08 • GoGreen climate protection program, p. 14 • 6-Step Approach to environmental management, p. 15 • DHL Innovation Center's research program, p. 16 • Member of the UNEP Climate Neutral Network
Anti-corruption		
<p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>We are committed to compliance with international anti-bribery standards as stated in the Global Compact and local anti-corruption and bribery laws.</p>	<ul style="list-style-type: none"> • Code of Conduct, p. 08 • Supplier Code of Conduct, p. 23



www.unglobalcompact.org

Commitment – a statement of specific commitments.

Systems – a description of policies, programs and management systems used to address each principle.



We were proud to host the October 2008 UN Global Compact VI Annual Local Networks Forum in our headquarters in Bonn.

We signed the United Nations Caring for Climate Statement in January 2009. In doing so, we pledge to strengthen our initiatives to promote greater environmental responsibility complementary to our GoGreen climate-protection program.

In February 2009, Deutsche Post DHL joined the UNEP Climate Neutral Network, an initiative led by the United Nations Environment Programme (UNEP) to promote global action towards low-carbon economies and societies.

At the beginning of 2009, Deutsche Post DHL signed the Partnering Against Corruption Initiative (PACI), a joint initiative of the World Economic Forum, Transparency International, and the Basel Institute on Governance. We underline our commitment to compliance with international anti-bribery standards.

Actions	Performance
<ul style="list-style-type: none"> Revised Supplier Code of Conduct, p. 23 Started integrating our revised Supplier Code of Conduct into new supply contracts, p. 23 Corporate Health Policy campaign and expanded measurement, p. 34 Launched a web-based road safety training course, p. 35 	<ul style="list-style-type: none"> 500 buyers trained in using the Supplier code of Conduct, p. 23 5,000 health promotion measures in Germany each year, p. 34 Health Promotion Award, p. 35 German Corporate Health Award 2008, p. 34 DuPont Safety Award, p. 35 Road accidents affecting employees at an overall low level, p. 34
<ul style="list-style-type: none"> Ran elections for the Deutsche Post World Net Forum, p. 27 A competitive edge through diversity, p. 28 Modern ways to recruit, p. 30 Training, p. 30 Executive development, p. 31 International Mentoring Program, p. 28 	<ul style="list-style-type: none"> Detailed reference to ILO core labor standards included in official presentation and training documents for download in Group-wide intranet Regular checks of access and downloads Regular screening of number of employees participating in web-based training Conducted 2008 employee opinion survey (75 % participation rate) Commitment to make it an annual exercise, p. 31 2008 initiative on accepting homosexual colleagues, p. 28
<ul style="list-style-type: none"> Target to improve carbon efficiency by 30 % by 2020, p. 21 Target to increase the percentage of employees working under ISO 14001 audited systems, p. 15 Trials of hybrid vehicles and new technologies, p. 16 Member of the UNEP Climate Neutral Network 	<ul style="list-style-type: none"> 2008 Deutsche Post DHL Carbon Efficiency Index value of 101, p. 21 Percentage of ISO 14001 coverage of DHL Express Europe increased in 2008, p. 15 Number of non-conventional fuelled vehicles, p. 17
<ul style="list-style-type: none"> Compliance Office responsible for worldwide implementation of the Code of Conduct, p. 08 Supervision, coordination of the Compliance Management Processes, development of Compliance Standards by Compliance Office Support of Compliance Committee, the Integrity Board, and a network of 13 Regional Compliance Officers Compliance hotline available worldwide; anonymous reports are possible 	<ul style="list-style-type: none"> The Global Compliance Office, in collaboration with Internal Audit, investigates concerns and concludes them, p. 08 Anti-Corruption-Training and Policy developed, alignment and roll-out to be implemented Signing the Partnering Against Corruption Initiative (PACI) in February 2009

Actions – a description of practical actions taken during the reporting period.

Performance – a description of the impact of systems and tangible outcomes of actions.

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Global Reporting Initiative Index

Our changing ways Sustainability Report 2009 is presented with reference to the Global Reporting Initiative (GRI) "G3" reporting framework, as well as the GRI Logistics and Transportation Sector Supplement (www.globalreporting.org). GRI defines a number of Application Levels for sustainability reports. We have assessed this Report against GRI requirements and believe it to comply with a B+ Application Level. Data relating to each indicator in this framework may be found on the pages noted below:

1. Strategy and Analysis		4.11	2008 Annual Report, p. 85	Emissions, Effluents, and Waste	
1.1	p. 03	4.12	p. 10, 50-51	EN16	p. 20-21
1.2	p. 06, 09-11, 22, 48	4.13	p. 10	EN17	p. 20-21
2. Organizational Profile		4.14	p. 10	EN18	p. 14-21
2.1	Cover, imprint	4.15	p. 10	EN19	Not reported
2.2	Inside front cover, p. 01, 06	4.16	p. 10	EN20	Not reported
2.3	Inside front cover, p. 02, 2008 Annual Report, p. 11	4.17	p. 10	EN21	Not relevant
2.4	Back cover, imprint	5. Management Approach and Performance Indicators		EN22	Not reported
2.5	2008 Annual Report, p. 24	Economic		EN23	Not reported
2.6	2008 Annual Report, p. 25-28	Economic Performance		EN24	Not reported
2.7	2008 Annual Report, p. 24	EC1	2008 Annual Report, p. 41-45	EN25	Not relevant
2.8	Inside front cover, p. 26, 2008 Annual Report, p. 24-25	EC2	p. 114	Products and Services	
2.9	p. 02, 2008 Annual Report, p. 40	EC3	Not reported	EN26	p. 15, 19
2.10	p. 11	EC4	Not reported	EN27	Not reported
3. Report Parameters		Market Presence		Compliance	
3.1	p. 02	EC5	Not reported	EN28	Not reported
3.2	p. 02, inside back cover	EC6	Not reported	Transport	
3.3	p. 02	EC7	Not reported	EN29	p. 14-21
3.4	p. 56, inside back cover, imprint	Indirect Economic Impacts		Overall	
3.5	p. 09-10	EC8	Not reported	EN30	Not reported
3.6	p. 02	EC9	Not reported	Labor Practices and Decent Work	
3.7	p. 02, 10-11	Environmental		Employment	
3.8	p. 02	Materials		LA1	2008 Annual Report, p. 73-74
3.9	p. 16, 17, 20, 21, 22, 28, 29, 30, 31, 34	EN1	p. 16-17, 23	LA2	p. 26
3.10	In footnotes to tables and charts	EN2	p. 22	LA3	Not reported
3.11	In footnotes to tables and charts	Energy		Labor/Management Relations	
3.12	p. 52	EN3	p. 20	LA4	2008 Annual Report, p. 74
3.13	p. 54-55	EN4	p. 21	LA5	Not reported
4. Governance, Commitments, and Engagement		EN5	p. 20-21	Occupational Health and Safety	
4.1	2008 Annual Report, p. 101-124	EN6	p. 16-17, 19-21	LA6	Not reported
4.2	p. 08, 2008 Annual Report, p. 101-124	EN7	p. 21	LA7	p. 34-35
4.3	p. 08, 2008 Annual Report, p. 109-124	Water		LA8	p. 35
4.4	p. 27	EN8	Not reported	LA9	Not reported
4.5	2008 Annual Report, p. 116-124	EN9	Not relevant	Training and Education	
4.6	2008 Annual Report, p. 115	EN10	Not relevant	LA10	p. 31, 2008 Annual Report, p. 74
4.7	2008 Annual Report, p. 114	Biodiversity		LA11	p. 28, 30-31
4.8	p. 08, 50-51, 2008 Annual Report, p. 76, 80, 115-116	EN11	Not relevant	LA12	p. 31
4.9	2008 Annual Report, p. 85-92, 101-108	EN12	Not relevant	Diversity and Equal Opportunity	
4.10	2008 Annual Report, p. 114-116	EN13	Not relevant	LA13	p. 28-29, 2008 Annual Report, p. 76
		EN14	Not relevant	LA14	Not reported
		EN15	Not relevant	Human Rights	
				Investment and Procurement Practices	
				HR1	Not reported



www.globalreporting.org



We compared the amount of GRI-recommended information in our Sustainability Report 2009 with the GRI's graded Application Levels. We think this report complies with GRI B+ requirements.

HR2	p. 23, 51
HR3	2008 Annual Report, p. 75
Non-Discrimination	
HR4	Not reported
Freedom of Association and Collective Bargaining	
HR5	p. 27
Child Labor	
HR6	Not reported
Forced and Compulsory Labor	
HR7	Not reported
Security Practices	
HR8	Not reported
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HR9	Not reported
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SO2	Not reported
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SO4	p. 03, 51
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SO6	Not reported
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SO7	Not reported
Compliance	
SO8	Not reported
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PR2	Not reported
Products and Service Labeling	
PR3	Not reported
PR4	Not reported
PR5	p. 10
Marketing Communications	
PR6	Not reported
PR7	Not reported
Customer Privacy	
PR8	p. 08
Compliance	
PR9	Not reported

GRI Logistics and Transportation Sector Supplement

Policies and Management Systems

3.16 p. 06, 11, 14, 21, 23

Economic

EC1 2008 Annual Report, p. 127, 158, 169, 172

EC11 Not reported

EC12 Not reported

EC13 p. 06

LT1 Not relevant

Environment

EN3 p. 20-21

EN8 p. 20-21

EN16 Not reported

EN17 p. 14-21

EN18 Not reported

EN19 p. 19, 23

EN20 Not reported

EN21 Not reported

EN22 Not reported

EN23 Not reported

EN24 Not reported

EN25 Not reported

EN26 Not reported

EN27 Not reported

EN28 Not reported

EN29 Not reported

EN30 p. 20-21

EN31 Not reported

EN32 Not reported

EN33 p. 21, 23

EN34 p. 14-21

EN35 Not reported

LT2 p. 16

LT3 p. 16-19

LT4 p. 14-23

LT5 p. 16

LT6 p. 16

LT7 p. 16

LT8 p. 17

Social

LA1 Not reported

LA9 p. 31, 35

LA12 Not reported

LA13 p. 08, 27

LA14 p. 34

LA15 p. 27

LA16 p. 30-31

LA17 p. 30-31

HR8 p. 50-51

HR9 Not reported

HR10 Not reported

HR11 Not reported

HR12 Not reported

HR13 Not reported

HR14 Not reported

SO4 p. 11

SO5 Not reported

SO6 2008 Annual Report, p. 189

SO7 Not reported

PR4 Not reported

PR5 Not reported

PR6 Not reported

PR7 Not reported

PR8 p. 10-11

PR9 Not reported

PR10 Not reported

PR11 Not reported

LT9 Not reported

LT10 Not reported

LT11 p. 34-35

LT12 p. 34

LT13 Not reported

LT14 2008 Annual Report, p. 55

LT15 p. 42-26

LT16 Not reported

LT17 Not reported

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Independent Assurance Report

To Deutsche Post AG, Bonn

We have been engaged to perform a limited assurance engagement on selected data of the “Sustainability Report 2009 – changing ways” (the “Sustainability Report”) for the business year 2008 of Deutsche Post AG, Bonn.

Management's Responsibility

Deutsche Post AG's management is responsible for the preparation of the Sustainability Report, using the criteria stated in the Sustainability Reporting Guidelines Vol. 3 (p. 07-17) of the Global Reporting Initiative (GRI):

- Materiality,
- Stakeholder Inclusiveness,
- Sustainability Context,
- Completeness,
- Balance,
- Clarity,
- Accuracy,
- Timeliness,
- Comparability and
- Reliability.

This responsibility includes the selection and application of appropriate methods to prepare the Sustainability Report and the use of assumptions and estimates for individual sustainability disclosures which are reasonable in the circumstances. Furthermore, the responsibility of Deutsche Post AG's management includes designing, implementing and maintaining systems and processes relevant for the preparation of the Sustainability Report.

Practitioner's Responsibility

Our responsibility is to express a conclusion based on our work performed as to whether any matters have come to our attention that cause us to believe that the data of the Sustainability Report marked with a grey dot ● or text with grey underscore have not been prepared in accordance with the abovementioned criteria of the Sustainability Reporting Guidelines Vol. 3 of the GRI. We also have been engaged to report on recommendations for the further development of sustainability management and sustainability reporting on the basis of the results of our assurance engagement.

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to express our conclusion with limited assurance.

In a limited assurance engagement the evidence-gathering procedures are more limited than in a reasonable assurance engagement (for example, an audit of financial statements in accordance with § (Article) 317 HGB (“Handelsgesetzbuch”: “German Commercial Code”), and therefore less assurance is obtained than in a reasonable assurance engagement.

The procedures selected depend on the practitioner's judgment. This includes the assessment of the risk of material incompliance of the data marked with a grey dot ● or text with grey underscore with the abovementioned criteria. Within the scope of our work we performed amongst others the following procedures:

- Inspection of the development of the processes for gathering, analysing and aggregating the selected data marked with a grey dot ● or text with grey underscore on the level of the headquarter and for some data on the level of operations in Bonn, Darmstadt, Milton Keynes and Brussels.
- Inquiries of the central unit responsible for preparing the Sustainability Report about the development of the process to prepare the Sustainability Report and the internal control system aligned with this process.
- Comparison of selected data with corresponding data in the financial annual report 2009.
- Inquiries of employees in the departments of Procurement, Idea Management, HR, Real Estate, CSR Strategy and Policy, Fleet Management, Health Department and Environment Strategy and Policy and representatives of MAIL, EXPRESS, GLOBAL FORWARDING/FREIGHT and SUPPLY CHAIN.
- Examination of the methods and procedures for determining CO₂ emissions and the Carbon Efficiency Index including the process and responsibilities, limitations of the system and emissions factors as well as inspection of a sample of physical data of activity on site in Bonn, Milton Keynes and Brussels.
- Obtaining evidence for the accuracy of the data marked with a grey dot ● or text with grey underscore, e.g. by inspecting notifications to public authorities, contracts, reports of suppliers and by analysing data based on IT-system reports.

Conclusion

Based on our limited assurance engagement, nothing has come to our attention that causes us to believe that the data in the Sustainability Report marked with a grey dot ● or text with grey underline have not been prepared, in all material respects, in accordance with the abovementioned criteria of the Sustainability Reporting Guidelines Vol. 3 (p. 07-17) of the GRI.

Emphasis of matter – Recommendations

Without qualifying our conclusion above, we recommend for the further development of sustainability management and sustainability reporting the following:

- We recommend that the systems and processes of sustainability management, in terms of design, degree of implementation and application are driven forward across the entire Group. We further recommend that the existing sustainability management structures and their development are better communicated to stakeholders.
- We recommend documenting the process of provision and consolidation of information for the Sustainability Report in order to ensure a better traceability and clear allocation of responsibility for specific contents. This includes the final sign-off for most relevant parts of the report.
- Whilst there has been some progress in several significant aspects of the data gathering process for the Sustainability Report, necessary controls have not yet been implemented on all organisational levels. We recommend defining and implementing a framework for an internal control system for the data generation for the entire Group. The documentation of performed controls should be carried out more stringently.

Frankfurt am Main, March 19, 2009

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

sgd. Michael Werner sgd. ppa. Nina Müller

Wirtschaftsprüfer (German Public Auditor)

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Publishing information

Publisher
Deutsche Post AG
Headquarters
53250 Bonn
Germany

Project coordination

Winfried Häser, James Buchanan,
Janine Grunwald, Cornelia Hentschel,
Annett Jacob, Britta Sadoun

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Contacts

Corporate Sustainability team

Fax: +49 (0)228 182 97099
E-mail: SustainabilityReport@deutschepost.de

Press Office

Fax: +49 (0)228 182 9880
E-mail: pressestelle@deutschepost.de

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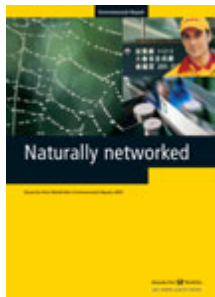


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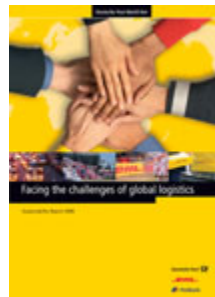
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Deutsche Post AG
Headquarters
53250 Bonn
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