

GOGREEN – OUR WAY

Deutsche Post DHL's environmental protection program
for sustainable logistics

GOGREEN

Environmental protection
with Deutsche Post DHL

Deutsche Post DHL

GOGREEN — WE GO FURTHER

Exploring new ways: How we help bring about sustainable logistics and a sustainable economy with our environmental protection program and climate-friendly solutions.



The global economy has entered a new dimension. Growing international trade is changing the world, enhancing and enriching it, and creating jobs for billions of people. However, economic growth can also negatively impact the environment.

This growth needs to be shaped so that it's both economically successful and sustainable. We all have to handle our resources sparingly while preserving our means of livelihood. Logistics plays a pivotal

role on the way to creating a low-carbon economy. It also bears a special responsibility to the environment: The logistics and transport sector, including passenger transportation, produces about 13 percent of greenhouse gases worldwide (source: IPCC, Intergovernmental Panel on Climate Change).

Driving green developments forward

Many of the carbon-saving technologies and flexible transport models that we ideally would like

to use are not yet fully available. Although progress is being made, there is a lack of market-ready solutions which meet the specific requirements of the transport and logistics sector. Correspondingly, the pressure to innovate is considerable. The logistics sector can play a major role in the development of a sustainable economy and use this as an opportunity for change.

This transformation also marks a departure: It sets the trends for high-quality, efficient and sustainable solutions. But therefore the right conditions, such as economic incentives, must be created to make transport more efficient. This is happening gradually, as policymakers are developing the necessary framework.

GoGreen – our program for sustainable change

With our GoGreen environmental protection program we want to help bring about lasting change. And we are leading the way. We were the first logistics company to set itself a quantified carbon efficiency target, and we were also the first to offer a carbon-neutral shipping solution.

We are developing new solutions and business models to ensure the success of our company and that of our customers. Climate protection can trigger innovation and new products. We are working to make mobility more environmentally friendly by shifting, consolidating, or reducing transport.

New technologies help us reach destinations with fewer resources. Time and again national and international alliances create new opportunities for us and our customers to set standards. GoGreen is more than a plan for the future, more than an innovative offer – GoGreen is our way.

GoGreen, an integral element of our strategy

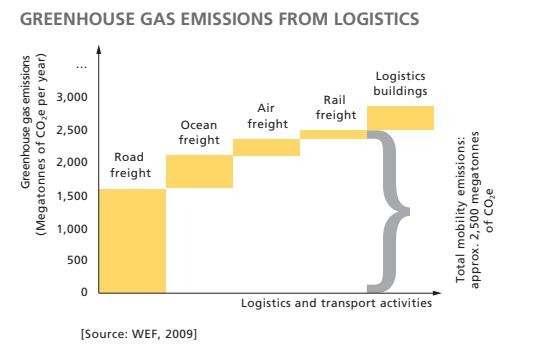
Industry and governments are determined to make sourcing and production more environmentally friendly. Environmental aspects now carry greater weight in the investment decisions of many companies. Company policies which incorporate sustainability criteria contribute to long-term added value. Business customers see this as a significant opportunity to lower costs. The growing demand

for such solutions from Deutsche Post DHL boosts the company’s growth and raises its positive image.

With GoGreen we have made a fundamental adjustment to the way we do business and anchored it as an integral element in our Strategy 2015.

We accept our responsibility for the environment – and for a company that sees itself as a part of this environment.

The global logistics and transportation sector is one of the major sources of carbon emissions.





GOGREEN – OUR GOALS

The right route is crucial. Deutsche Post DHL takes its customers with it and sets the standards on the way.

“The journey is the reward” is a saying that is especially appropriate for the logistics sector. Millions of times every day, a journey starts and ends. Our goal is to embark on this journey in the right way. We want to set a positive example for our industry and our competitors. With GoGreen, we point the way to an ecologically responsible future in which we minimize as much as possible our business’s impact on the environment.

It is also important that we are transparent about our measures and progress and that we add value to the environment, our customers and, not least, our company. Environmental protection – and improving our carbon efficiency in particular – is already an important part of our business.

Step by step, we are approaching our goal of incorporating the responsible use of natural resources in our daily business decisions.

Improving carbon efficiency by 30 percent by 2020

We have drawn up an ambitious plan: We aim to improve the carbon efficiency of our own activities and those of our subcontractors by 30 percent by 2020, compared to 2007. This means that for every letter sent, every parcel shipped, every tonne of freight transported, and every square foot of warehouse space used, we want to reduce carbon

emissions by 30 percent. Since they are one of the most significant environmental impacts generated by the logistics sector, improving carbon efficiency is the focal point of our GoGreen environmental protection program. For 2012, we have set ourselves the intermediate goal of increasing our carbon efficiency by 10 percent.

Anchoring environmental management in our company

One main lever in implementing the GoGreen program in each site is the Deutsche Post DHL environmental management system.

Our 6-Step Approach aims to improve carbon efficiency on-site according to generally binding standards, taking regional circumstances into account, but at the same time reduce waste, water consumption and local emissions; save natural resources such as paper; and minimize noise.

It's worth noting that the fourth step of the 6-Step Approach includes the significant act of certification according to ISO 14001, the standard for environmental management programs. About half of our employees worldwide work in ISO 14001-certified sites.

GoGreen – Investing in the future

Our Supplier Code of Conduct calls on our suppliers to operate according to ethical and ecological standards.

It includes compliance with applicable environmental laws and standards as well as efficiency reporting. The Code also calls on suppliers to implement their own climate protection measures.

Carbon efficiency is an important key performance indicator in our strategic planning processes and one of our criteria for investment decisions.

For every letter sent, every parcel shipped, every tonne of freight transported and every square foot of warehouse space used, we want to reduce carbon emissions by 30 percent by 2020.



GOGREEN — OUR STEPS

Data are valuable: A clear view at our carbon footprint creates transparency and comparability.



If ambitious goals are to be realized, they must be looked at from every angle. This requires clear view at all times. One of the most crucial steps on the way to greater carbon efficiency is data transparency and comparability.

These criteria give us a good overview of the GoGreen program's progress. For this purpose, we have set up a Carbon Accounting and Controlling system, based on the internationally recognized

Greenhouse Gas Protocol and the ISO 14064 standard.

Using our Carbon Accounting and Controlling system, we capture, calculate and report on the carbon emissions of all Deutsche Post DHL business divisions. We then calculate our carbon efficiency index using absolute emissions and individual variables, such as shipments dispatched or tonne kilometers transported.

The index functions in a similar way to a stock index. It illustrates progress in our overall carbon efficiency compared to the base year of 2007.

From financial indicators to carbon efficiency data

Using this data, we develop the necessary insight at the relevant level, from the carbon performance of individual sites to reporting for our products and customers. We have linked our Carbon Accounting

to our financial accounting, creating an integrated, professional reporting system.

Our direct carbon emissions (scope 1 and scope 2* for fuel and energy consumption by our fleet and buildings) can now be precisely recorded through our financial reporting system.

Yet reporting is not limited to our own operations: Deutsche Post DHL also reports the scope 3 emissions* of its subcontractors – and these are responsible for about 75 percent of the entire Group’s carbon footprint. Through our cooperation with logistics firms, companies in other

* **Scopes 1 and 2:** Direct carbon emissions from our fleet and buildings
Scope 3: Indirect carbon emissions by our transportation subcontractors and our business travel

industries and organizations, we are working to increase transparency in this area.

Setting standards – gaining recognition

We promote the development of internationally recognized standards for carbon accounting through industry alliances and through demands towards policymakers.

Setting standards not only helps us create transparency within the company and with our subcontractors, it also enables our customers to compare our carbon footprint with that of our competitors. Our processes and progress in accounting and reporting carbon data are viewed in a positive light. In 2010, for example, we were ranked second in the international Carbon Disclosure Leadership Index.

The CDP (Carbon Disclosure Project) organization commended in particular the transparency of our Carbon Accounting system and our climate protection strategy.

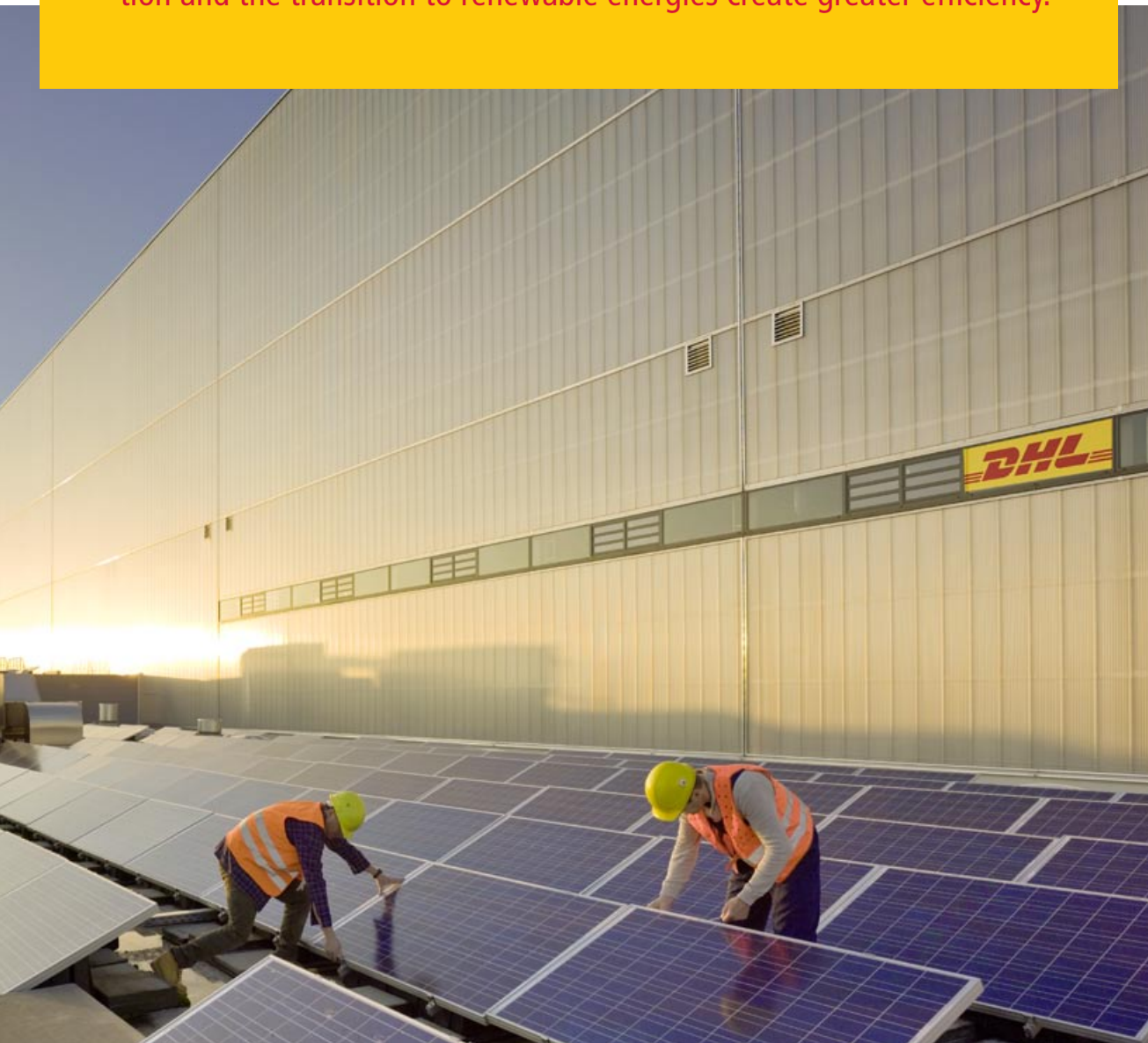
CARBON DISCLOSURE PROJECT

We have introduced an effective Carbon Accounting and Controlling system. The independent Carbon Disclosure Project specifically commended the transparency of our Carbon Accounting.



GOGREEN – OUR BUSINESS

Taking the lead on the ground and in the air: How technology, cooperation and the transition to renewable energies create greater efficiency.



International road, air and ocean transport is a major source of carbon emissions. That's one way to see it. Yet international transport is also an important driver of new technologies and more efficient systems.

Our road fleet makes a significant contribution to our carbon footprint. As a result we are testing and implementing alternative vehicle technologies and fuels, such as hybrid and electric drives. In this way, we not only reduce carbon emissions but also soot particles and noise.

Sustainable transportation

Worldwide, we operate approximately 3,000 non-conventional vehicles with hybrid or electric engines, alternative fuels or with electronic and aerodynamic modifications. We're investing in new generations of more fuel-efficient aircraft that generate less nitrogen oxide. We're also retiring older, inefficient models. Thanks to good cooperation with our partner airlines, thorough planning, and data-based forecasts, we are able to optimize the capacity usage of our fleet.

At the DHL Hub in Leipzig, solar panels and a combined heat and power plant save up to 3,000 tonnes of carbon emissions every year.

In our transatlantic express services, the Boeing 767 Extended Range Freighter (ERF) aircraft which we operate are among the most efficient and environmentally friendly aircraft in their class.

As we neither own nor operate any ships ourselves, we rely on alliances to develop standards and increase efficiency in ocean freight. We do so at international forums, such as the Clean Cargo Working Group, and through direct cooperation with our ocean freight partners.

We operate warehouses, distribution centers and offices around the world. Their heating, lighting, air conditioning and power consumption offer considerable climate protection potential, for example through intelligent lighting systems.

One third of our electricity already comes from green sources

We have placed a special priority on procuring energy from renewable sources. Group-wide, a good third of our electricity is green. With over 8,000 sites in Germany, Deutsche Post DHL is one of the country's largest electricity consumers. In fact, 85 percent of the energy consumed in Germany comes from renewable sources. Our modern airfreight centers meet the highest environmental standards. Our center in Melbourne, Australia, for example, has rainwater retention basins, solar

panels, and an intelligent lighting system. We generate solar energy at our air Hub in Leipzig, Germany. There, a photovoltaic system with about 10,800 square feet of solar cells, together with a combined heat and power plant, save up to 3,000 tonnes of carbon emissions every year.

Consolidating shipments – optimizing networks

Based on our carbon data we identify measures for improving efficiency.

An important lever is the optimization of both our standardized networks and those tailored to our customers' needs. At the Heathrow Consolidation

Center, shipments to more than 300 retail shops, catering operations, pubs and restaurants at Heathrow Airport Limited are brought together. The DHL vehicle fleet stationed at the Center thereby saves tens of thousands of driven kilometers and hundreds of tonnes of carbon emissions each year.

Optimized transport routes, specialized teams of schedulers and transparent administration processes help to ensure that our fleet operates at full capacity and avoids unnecessary empty runs.

We are doing everything we can to make a reality of what is only a future possibility elsewhere.

The innovative aerodynamics of the DHL Teardrop Trailer saves 6 to 11 percent fuel while providing 10 percent more load capacity.





GOGREEN – OUR TEAM

Good ideas count – as do the employees who have them. Climate protection begins with each individual and Deutsche Post DHL is helping to promote it.

Even the best and most efficient technologies can only deliver optimal performance if the people who operate them have the right skills. And it is possible for people to operate conventional technology in a way that makes it even more efficient. Climate protection begins with each individual.

Putting GoGreen into practice every day

With employees in more than 220 countries and territories, Deutsche Post DHL has an outstanding potential. With their knowledge, experience and behavior, our employees can reduce carbon emissions in their daily work and contribute to sustainability. It is our employees that move the GoGreen program forward with new ideas gained in their daily routine.

We strive to raise our employees' awareness of environmental protection through training, educational programs, and internal communications. We call on them to take action in campaigns, workshops and with targeted incentives. Environmental events, workshops on resource efficiency, planting activities, and extensive initiatives such as the "Save Fuel" campaign sharpen senses for climate-friendly work. This happens daily, around the world. One example is the DHL Express's "ThinkGreen – GOGREEN" competition which collected ideas for climate protection in five countries.

How Climate Compliance works in our company

We also set company standards. Our Group-wide binding Paper Policy reduces consumption of this valuable resource and promotes the preferred use of recycled paper wherever possible. Eco-driving trainings and educational campaigns such as the Global Road Safety initiative motivate our drivers to save fuel. Employee surveys report that a high

share of respondents (60 percent) actively do their best for climate protection through individual measures at their workplace.

Just a little planning goes a long way. Drivers who schedule stops for the downhill tour instead of taking their vehicles uphill save fuel and carbon emissions. So does the use of energy-efficient lighting and sensor systems for light and water, the recycling of

plastic films and packaging materials, and using public transport whenever possible. Our employees actively protect the climate and make things happen.

Many small steps lead to a big step forward.

Eco-driving trainings and educational campaigns such as the Global Road Safety initiative motivate our drivers to save fuel. We also call on our office-based staff to work in environmentally friendly ways through campaigns, workshops and targeted incentives.



GOGREEN — OUR CUSTOMER SOLUTIONS

Green ideas and good partners: Deutsche Post DHL is transforming itself into a provider of sustainable logistics solutions — to our customers' benefit.

The transformation of the logistics sector offers opportunities for everyone, especially customers. If we consider the anticipated carbon pricing and the rising costs of fossil fuels, low-carbon solutions are usually the most cost-effective alternatives in long-term calculations.

Our customers also want to realize their environmental objectives. As a result, they don't just ask how soon a shipment can reach its destination; they also want to know how it will get there and how to improve carbon efficiency and lower costs.

From road to rail

Deutsche Post DHL is transforming itself into a provider of sustainable logistics solutions. Increasingly, we partner with our customers to optimize workflows, implement green logistics solutions, and provide carbon consulting as a service.

An example of successful cooperation comes from our ocean and airfreight division.

Together with our customers we are developing green logistics solutions. An environmentally friendly transport concept for the onward transport and delivery of ocean freight, for example, saves up to 60 percent of carbon emissions by shifting cargo from road to rail.



Together with our customer BSH Bosch and Siemens Hausgeräte GmbH, DHL Global Forwarding drew up and implemented an environmentally friendly transport concept for the onward transport and delivery of ocean freight. Each year about 13,000 TEUs (twenty-foot equivalent units) can be shifted from road to rail. This saves up to 60 percent of carbon emissions.

The world's first carbon-neutral shipping service

Offering carbon-neutral or carbon-reduced logistics solutions to our customers is a central element of our GoGreen program. We ensure greater transparency with customer-specific carbon reports.

We were the first global logistics company to introduce a carbon-neutral shipping service under the name of *GOGREEN*. It's a successful product that is now available for our mail, parcel and express customers in more than 30 countries, and for our freight forwarding and logistics customers around the world.

We calculate the carbon emissions generated by our *GOGREEN* shipments and, to offset them, purchase carbon credits which invest in international climate protection projects.

In 2010, about 1.7 billion carbon-neutral *GOGREEN* shipments were delivered to their recipients

offsetting more than 80,000 tonnes of carbon emissions. The carbon credits come from projects, such as a wind park in China, that are officially recognized as complying with high international standards.

For the first time, Deutsche Post DHL has also initiated its own climate protection project. We finance and organize the introduction of more efficient stoves in Lesotho which reduce the use of firewood and thus carbon emissions. The credits will enable future carbon-neutral *GOGREEN* shipments.

GoGreen creates green solutions – our solutions for you.

Under the *GOGREEN* name we were the first global logistics company to introduce a carbon-neutral shipping service. In 2010, about 1.7 billion *GOGREEN* shipments were delivered to their recipients in a carbon-neutral way.



GOGREEN – PART OF LIVING RESPONSIBILITY

As a globally active company, we are committed to making lasting change in the world. We use our knowledge and global presence to benefit people and the environment, focusing on our three programs: GoTeach, GoGreen, and GoHelp. We support our employees' social commitment in Group-wide and local projects.

GoGreen: Environmental protection

- Optimizing the carbon efficiency of our networks, our fleet and our buildings
- Testing and employing alternative-drive technologies and forms of renewable energy
- Supporting our customers in reducing their carbon emissions by offering green solutions

GoHelp: Disaster management

- Partnership with the United Nations to help people in time of need
- Free logistical support at airports with our Disaster Response Teams
- Training program to prepare airports better following natural disasters (Get Airports Ready for Disaster)

GoTeach: Promoting education

- Partnership with Teach First Germany and Teach For All, to contribute to more opportunities in education
- Partnerships with individual country organizations of the SOS Children's Villages, to strengthen vocational opportunities for young people
- UPstairs scholarship program for the children of our employees



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www.dp-dhl.com/gohelp



www.dp-dhl.com/goteach

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Certificate Number:
804-10421-0311-1008
www.climatepartner.com

Published by:
Deutsche Post AG
Headquarters
GoGreen
53250 Bonn, Germany
www.dp-dhl.com/gogreen

Valid: 03/2011

Mat. No. 675-601-357

Printed carbon-neutrally on 100 % recycled paper (Recymago)