Q4/FY 2023 RESULTS

TOBIAS MEYER, GROUP CEO
MELANIE KREIS, GROUP CFO

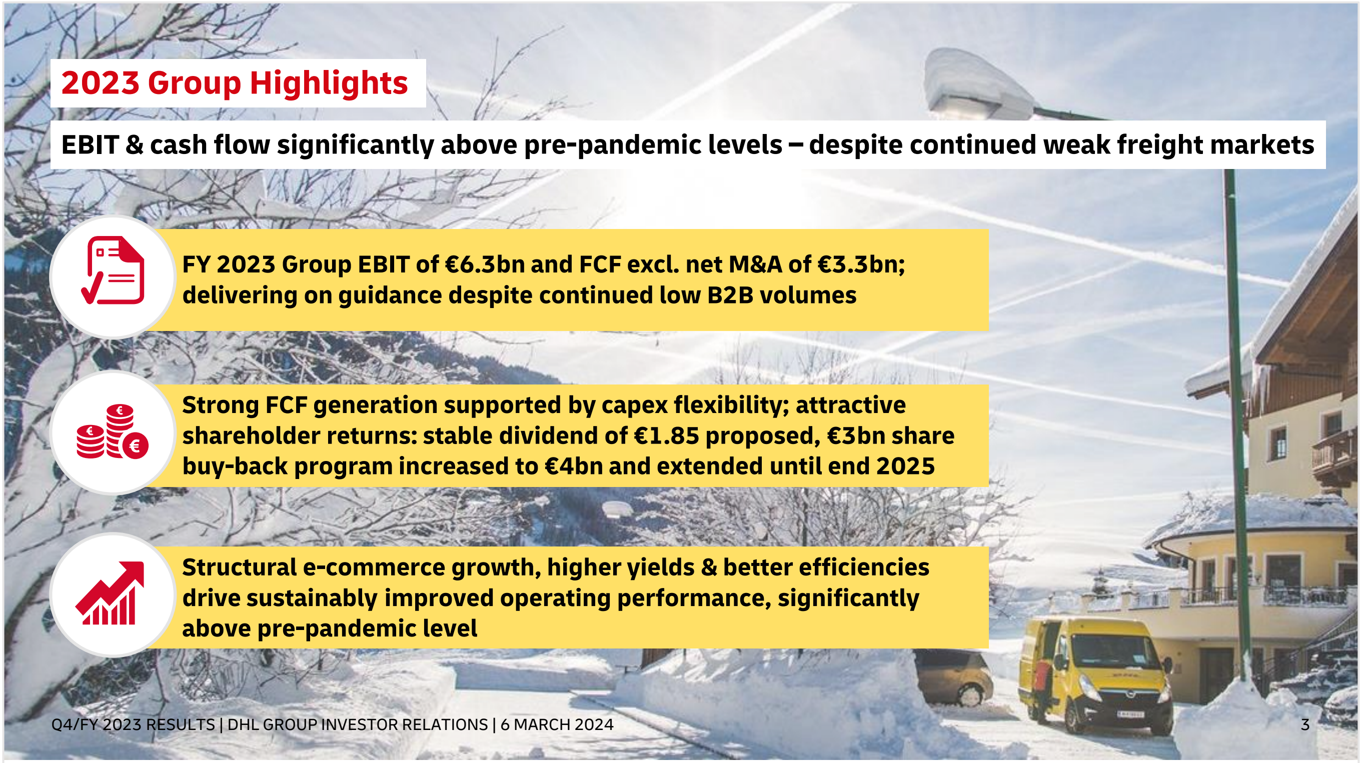
DHL GROUP INVESTOR RELATIONS
March 6th, 2024

DHL Group

AGENDA

CEO Update

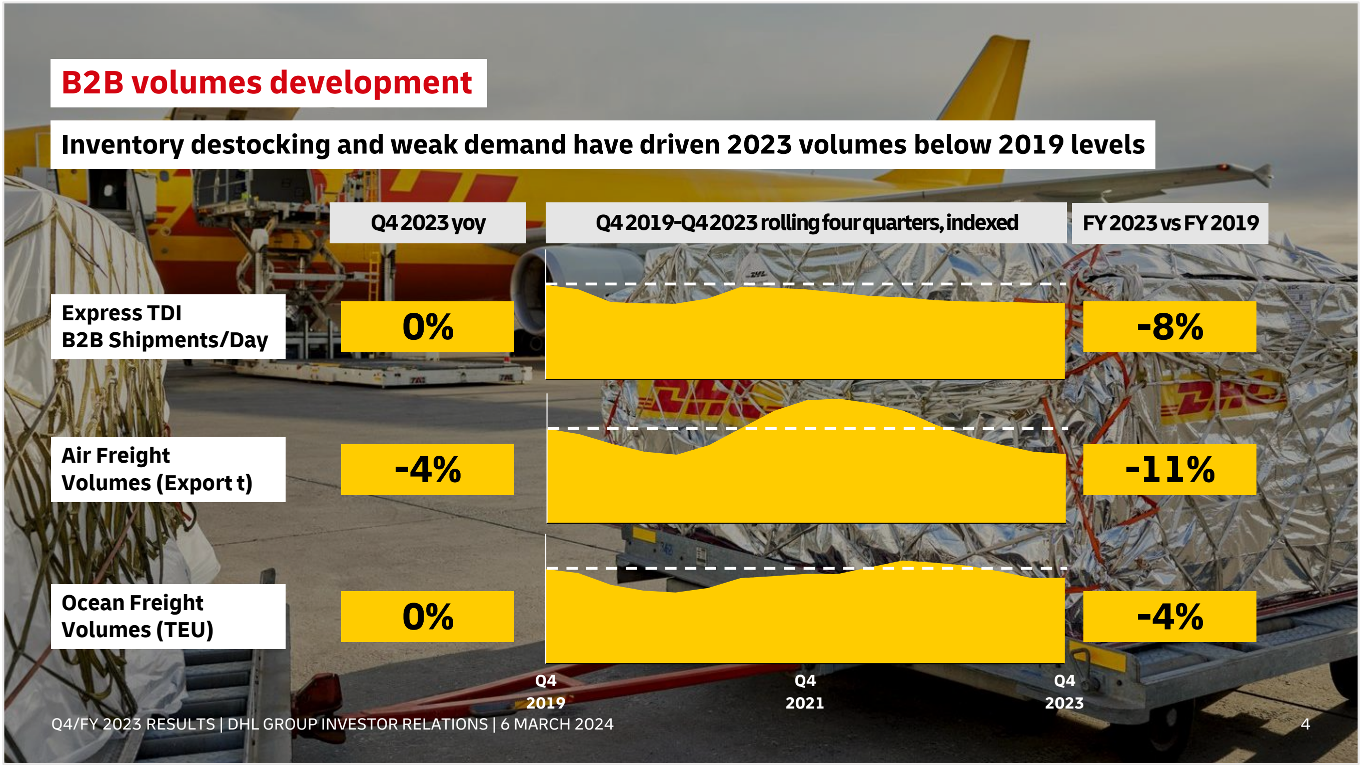
Financials & Outlook



Management comments:
The logistics industry saw further declines in B2B volumes in 2023, reflecting ongoing destocking by customers as well as a generally weak macro environment. Nevertheless, DHL Group delivered on its expectations, and even in adverse macro conditions, Group EBIT and FCF remain significantly above pre-pandemic levels.

Capex flexibility enables us to sustain high FCF generation even in a downturn, without stopping investments in attractive growth opportunities.

Despite lower B2B volumes vs. 2019, we achieved stronger performance vs. pre-pandemic level, mainly driven by structural e-commerce growth, yield management and improved efficiencies supported by digitalization, as detailed on the next pages.



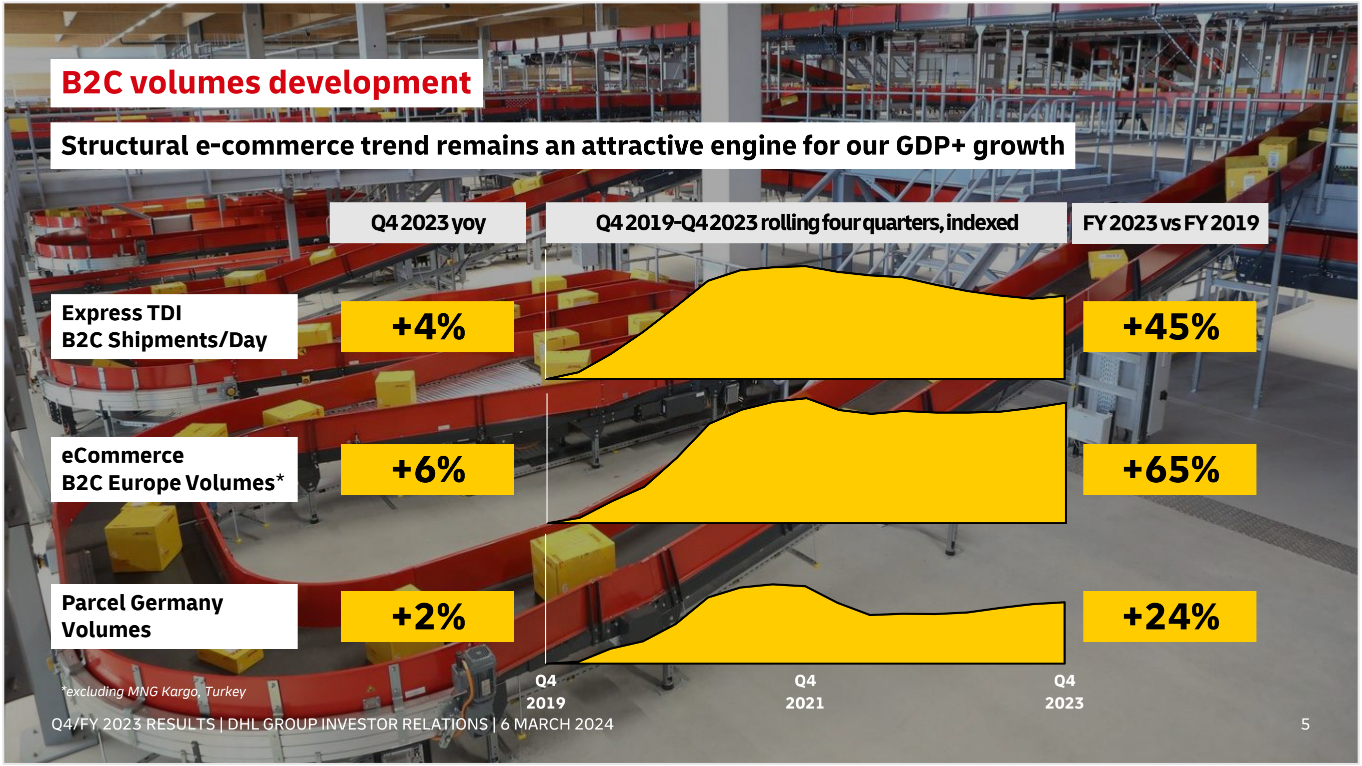
Management comments:

Following the volatility of B2B volumes during the pandemic, customers reduced their B2B flows against slowing demand in order to bring down inventories.

B2B development in 2023 (FY 2023 yoy: EXP B2B -1%, AFR -12%, OFR -6%) marked the second consecutive year of declining industry volumes – a longer period of decline than in the Great Financial Crisis 15 years ago.

Group EBIT and FCF performance was stronger in 2023 than pre-pandemic level despite B2B volumes below 2019 levels, with Express showing the least volatile development.

Once the inventory destocking is over, we expect B2B volumes to catch up with underlying GDP growth. This volume re-acceleration and the related positive operating leverage is reflected in our 2026 Group EBIT guidance of €7.5-8.5bn.



Management comments:

E-commerce has been a significant driver of our EBIT growth and FCF generation since more than a decade.

While the pandemic led to increased volatility in B2C volumes, we expect e-commerce penetration to increase further and drive another decade of structural growth opportunity for our broad e-commerce logistics offering.

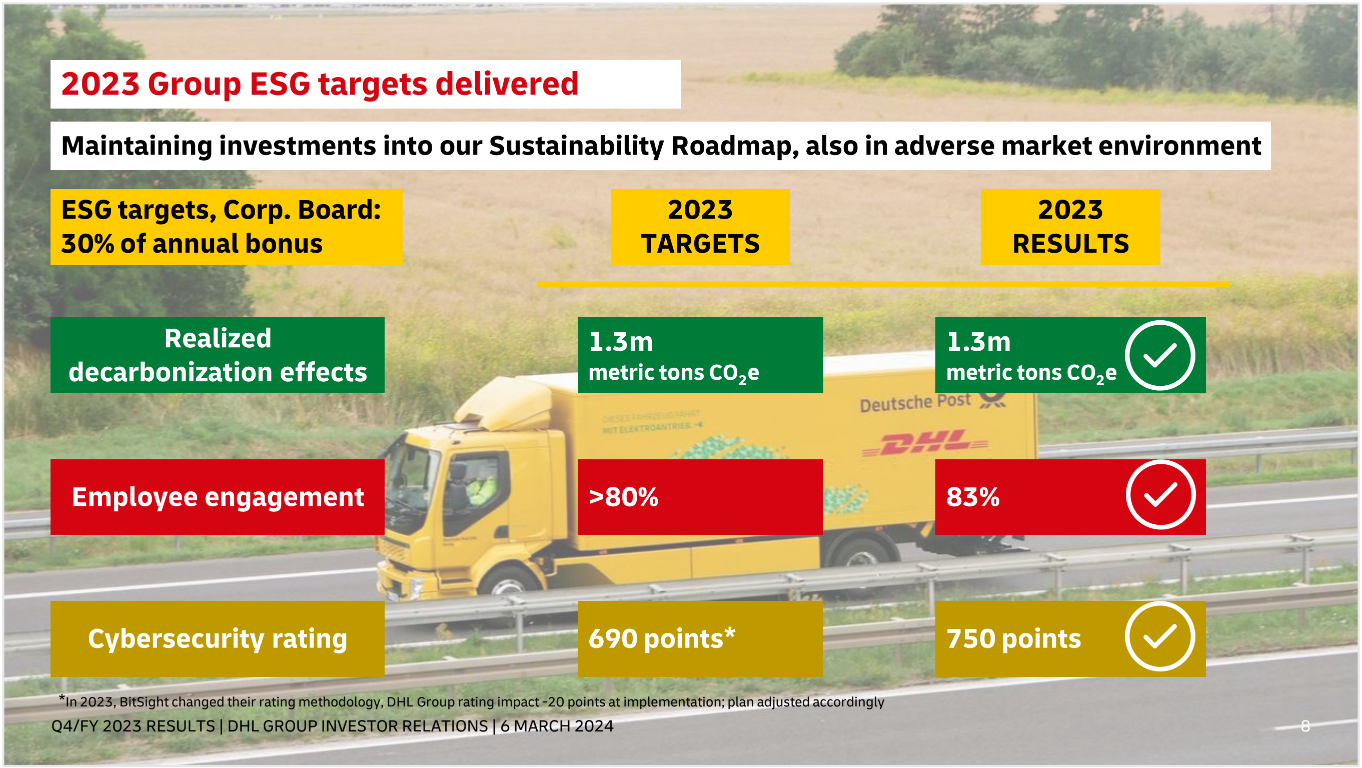
Management comments:
Yield management is another important driver behind our stronger operating and financial performance vs. pre-pandemic level. Again, this is not due to the pandemic but the fact that we have continuously optimized our yield structures and further sophisticated our well-established pricing mechanisms.

In line with our Provider of Choice strategy, we aim to deliver the best quality in the industry and hence also ensure we receive the adequate compensation for the value we deliver to our customers.

Management comments:

As part of our digitalization agenda, we have rolled out automation, robotics, data analytics and now artificial intelligence supported solutions across our operations and regions.

Besides improving service quality for our customers and working conditions for our colleagues, these widespread initiatives also mean that our operations are today significantly more efficient and hence translated into higher EBIT margins.



Management comments:
With our Sustainability Roadmap being fully integrated into Strategy 2025, we have maintained our focus on continued execution and investment in these important areas.

The three KPIs shown here have been part of the Corporate Board's 2023 bonus framework. As of 2023, this practice has been extended to the next management level. These annual targets are the steps towards our medium (2030) and long-term (2050) sustainability commitments.

Management comments:

The continued decline in B2B volumes in 2023 means that the industry has been facing the longest period of volume decline since at least the Great Financial crisis in 2008/09. We have pulled well-proven cost and pricing levers which allowed us to deliver Group EBIT and FCF significantly above 2019 levels.

As there is no meaningful re-acceleration in B2B volumes yet, we continue to maintain this stringent focus on cost and pricing. Our continued targeted investment will enable us to benefit from any volume recovery with positive operating leverage for our networks.

Beyond the cyclical re-acceleration expected to finally occur sooner or later, we also see attractive structural growth drivers which underpin our GDP+ growth ambition over the cycle.

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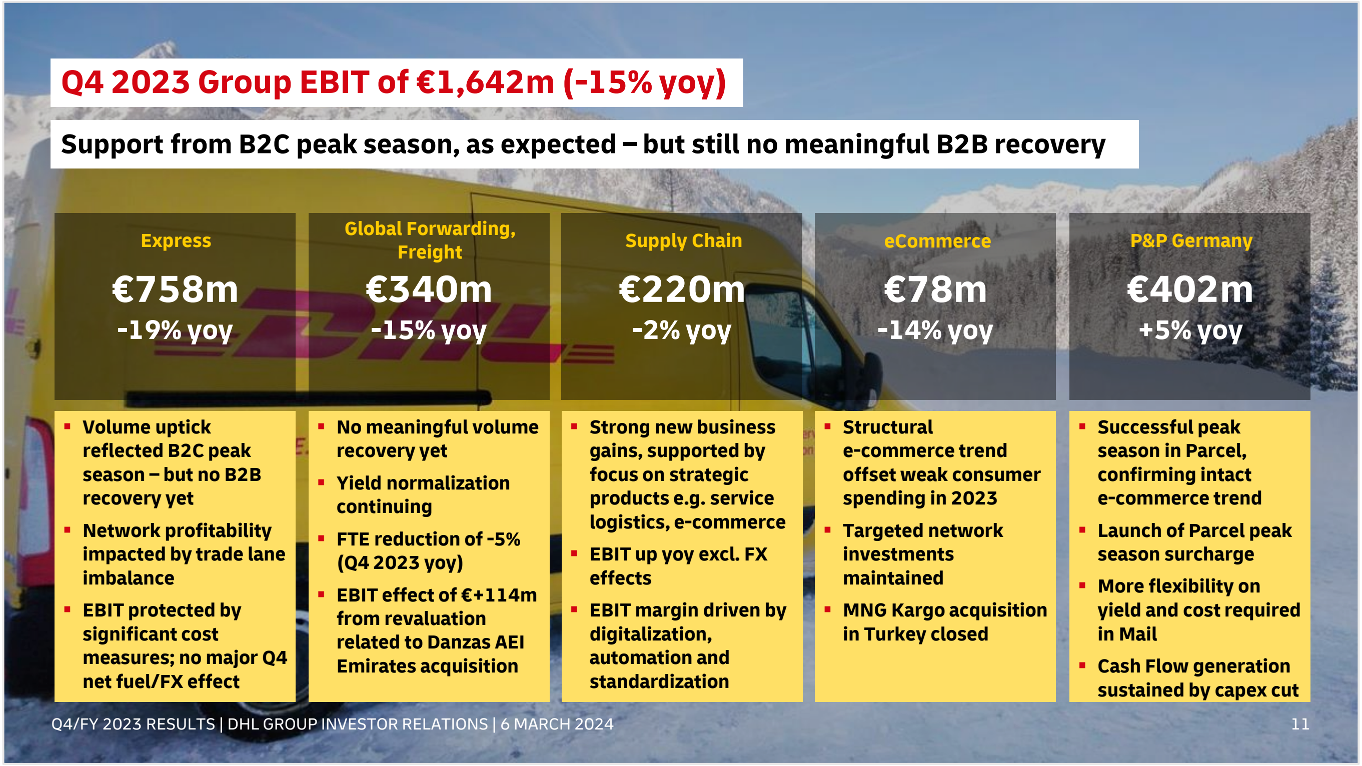


Management comments:
Operational performance in Q4 2023 has benefitted from our e-commerce exposure to the B2C peak season. While this seasonal uplift has generated operating leverage in eCommerce and Parcel Germany, the heavy skew of peak season volume to the Asia-Outbound tradelane did not generate similar benefits in Express.

B2B volumes have not yet shown any notable recovery in Q4 2023. Hence, our EBIT performance remains supported by cost measures of our Extended EBIT Protection Plan (EEPP) as well as continued disciplined yield management.

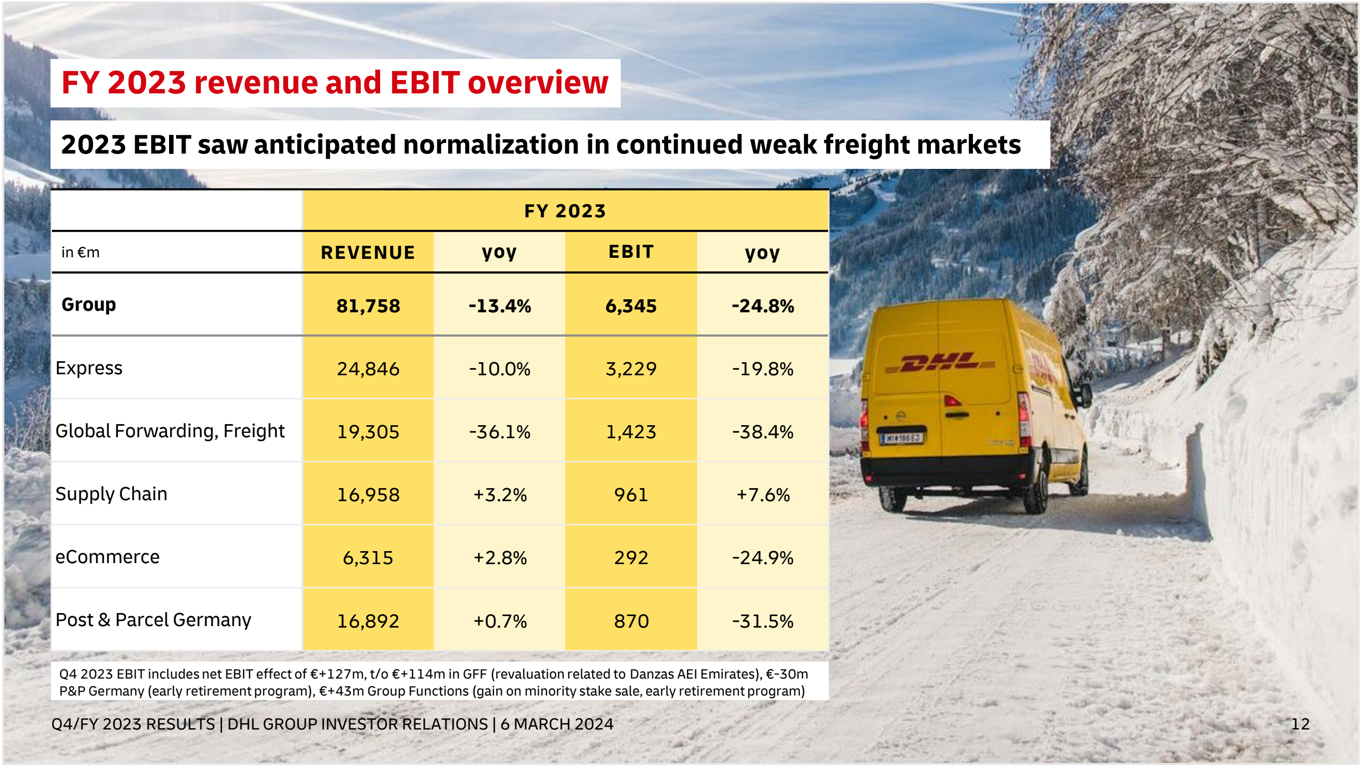
Note that Q4 2023 EBIT includes a net EBIT effect of €+127m, t/o €+114m in GFF (revaluation related to Danzas AEI Emirates), €-30m in P&P Germany (early retirement program) and net €+43m in Group Functions (gain on minority stake sale, early retirement program).

Management comments:

Out of the three macro scenarios in our initial FY 2023 guidance, the most pessimistic scenario has materialized: there was no significant macro recovery in 2023.

With FY 2023 Group EBIT of €6.3bn we delivered on our guidance which was above €6.0bn initially and had been increased to €6.2bn minimum in August 2023.

Global Forwarding, Freight saw the most pronounced EBIT decline due to the expected normalization of freight rates on top of the weak volume development. Supply Chain stands out with EBIT growth which reflects the particularly resilient multi-year contract business model as well as the ongoing structural outsourcing trend.



FY 2023 revenue and EBIT overview

2023 EBIT saw anticipated normalization in continued weak freight markets

	FY 2023			
in €m	REVENUE	yoy	EBIT	yoy
Group	**81,758**	**-13.4%**	**6,345**	**-24.8%**
Express	24,846	-10.0%	3,229	-19.8%
Global Forwarding, Freight	19,305	-36.1%	1,423	-38.4%
Supply Chain	16,958	+3.2%	961	+7.6%
eCommerce	6,315	+2.8%	292	-24.9%
Post & Parcel Germany	16,892	+0.7%	870	-31.5%

Q4 2023 EBIT includes net EBIT effect of €+127m, t/o €+114m in GFF (revaluation related to Danzas AEI Emirates), €-30m P&P Germany (early retirement program), €+43m Group Functions (gain on minority stake sale, early retirement program)

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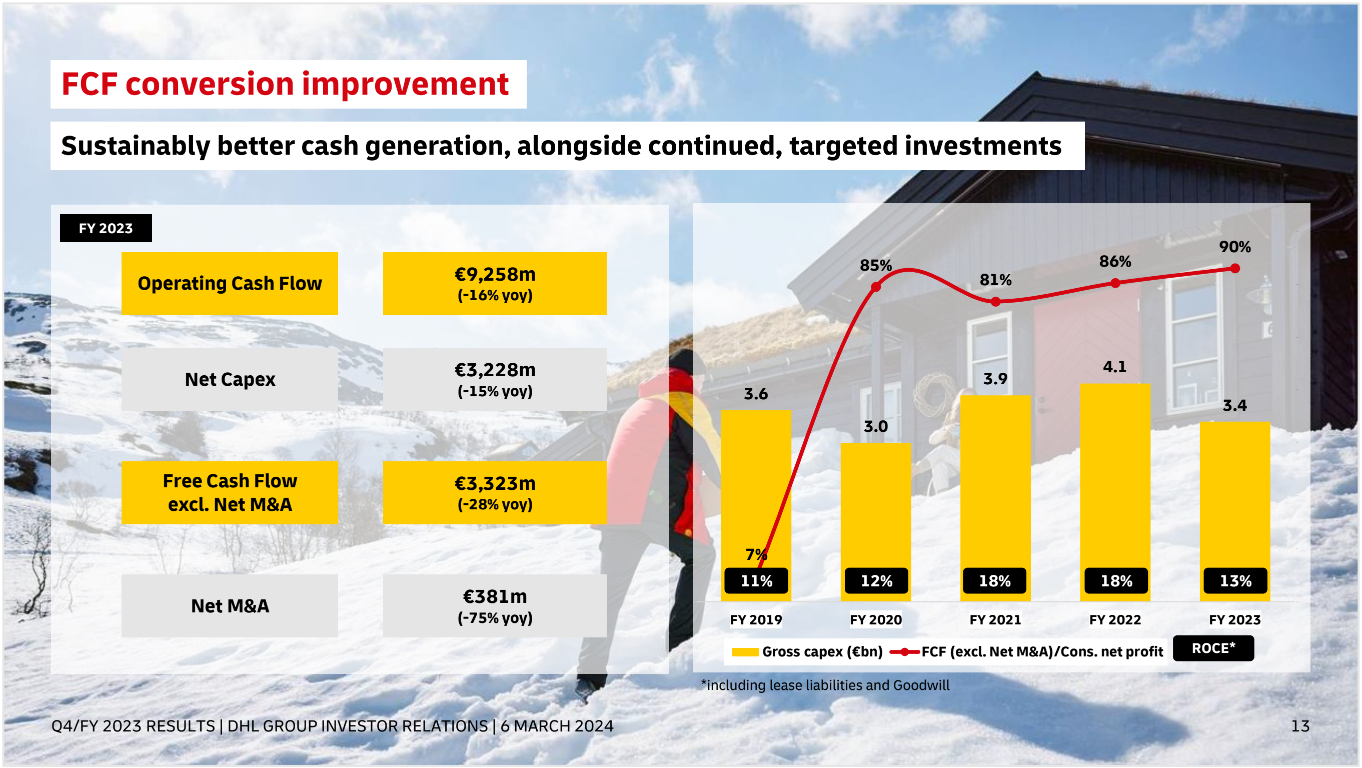


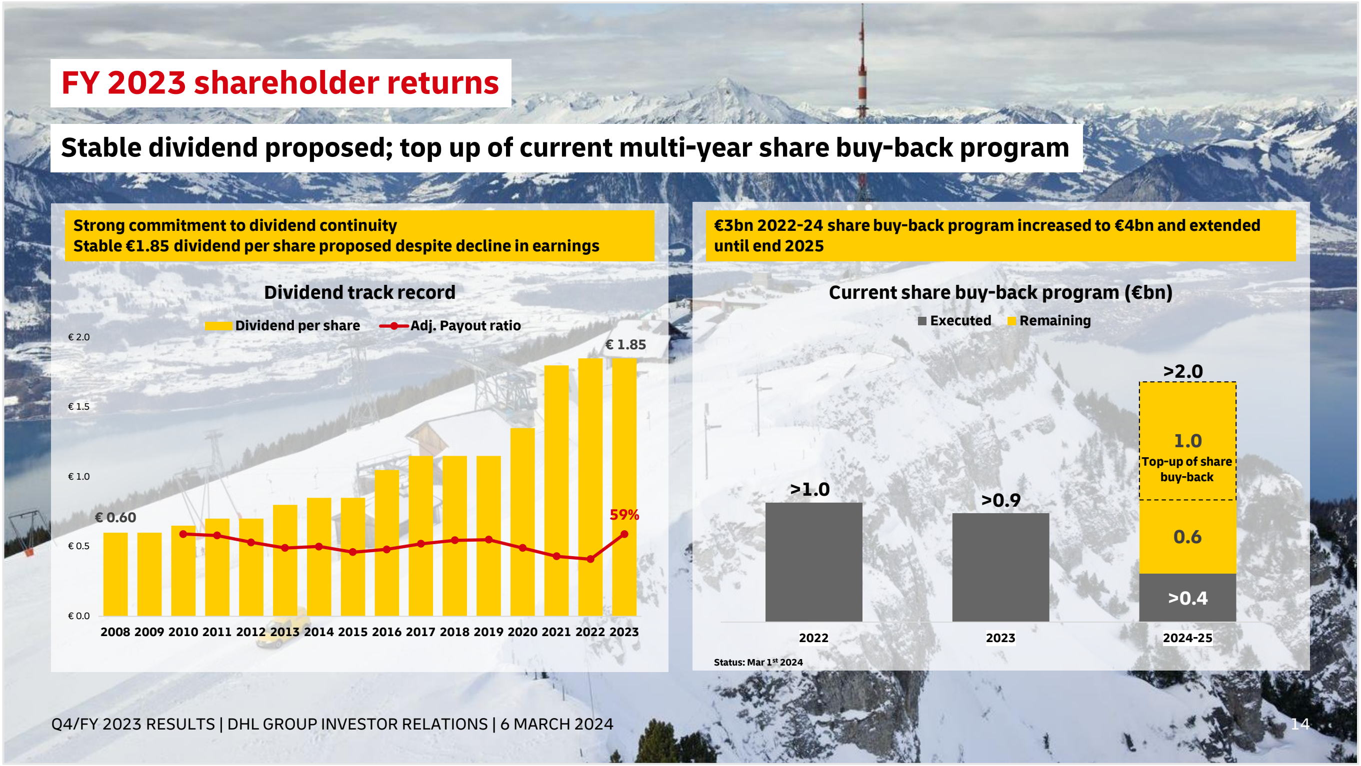
Management comments:
Operating Cash Flow (-16%) broadly follows the EBIT development (-25%). Both OCF and FCF stay significantly above pre-pandemic levels.

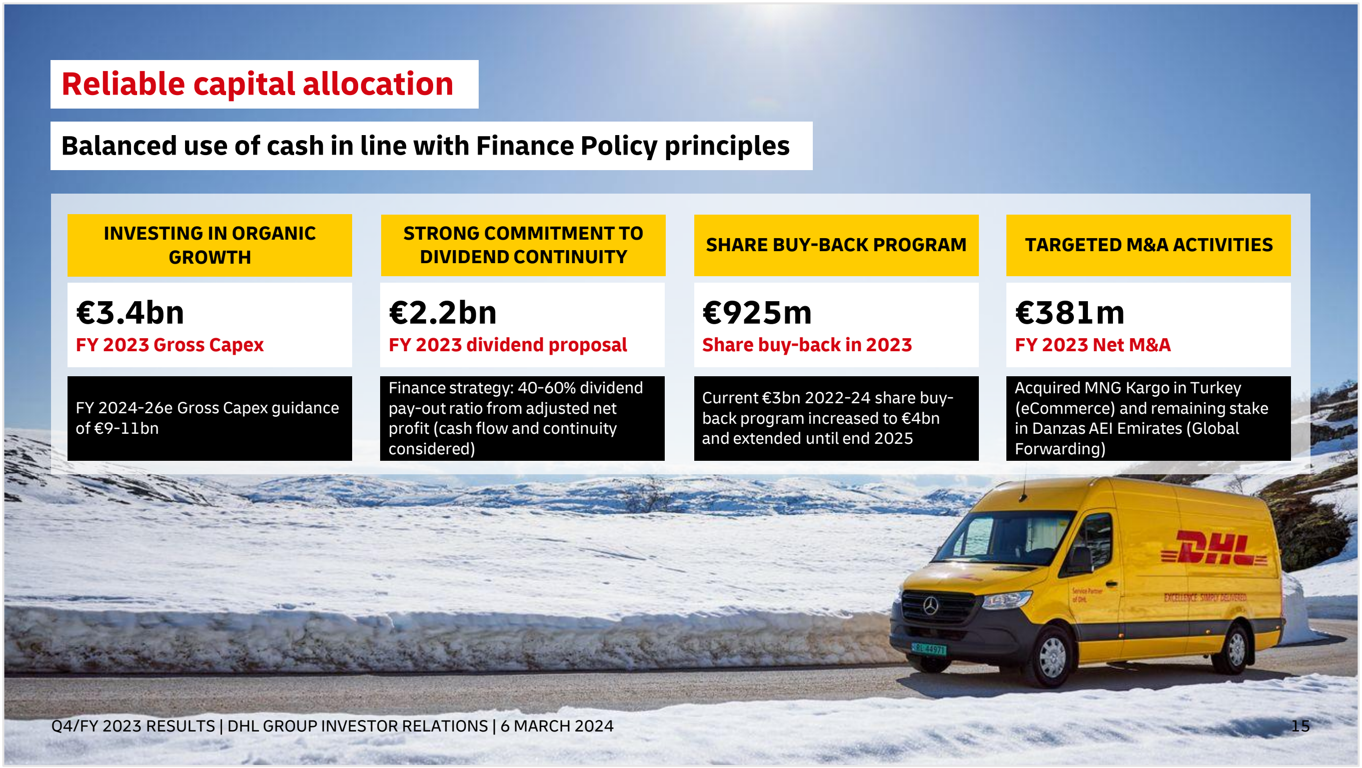
This step change in FCF conversion reflects the structural improvements we have implemented in our cash flow culture and steering.

Capex flexibility is a key contributor to our strong FCF performance in 2023. While we do not forego any attractive growth investments, we have, of course, significantly reduced capex spending in 2023 in alignment with volume development due to the weak macro environment.

Our guidance for FCF in 2024 and cumulative 2024-26 also reflects our confidence in the sustainably higher level of FCF generation.

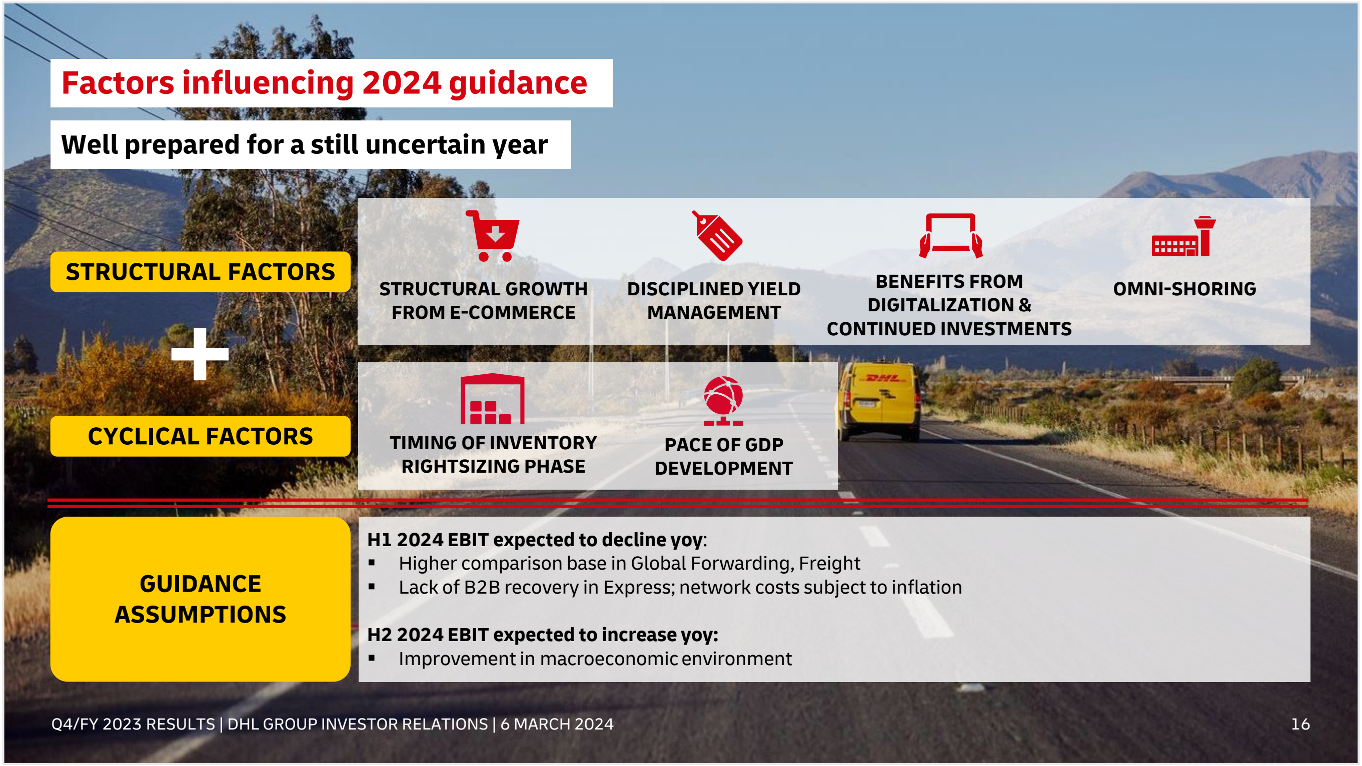
Management comments:
Despite weak macroeconomic environment, we continue to maintain our high cash flow conversion ratio and deliver on shareholder returns through our regular dividend and a multi-year share buy-back program, in line with our Finance Policy.





Management comments:
The sustainable increase in Cash Flow generation allows us to execute on all principles of our Finance policy.

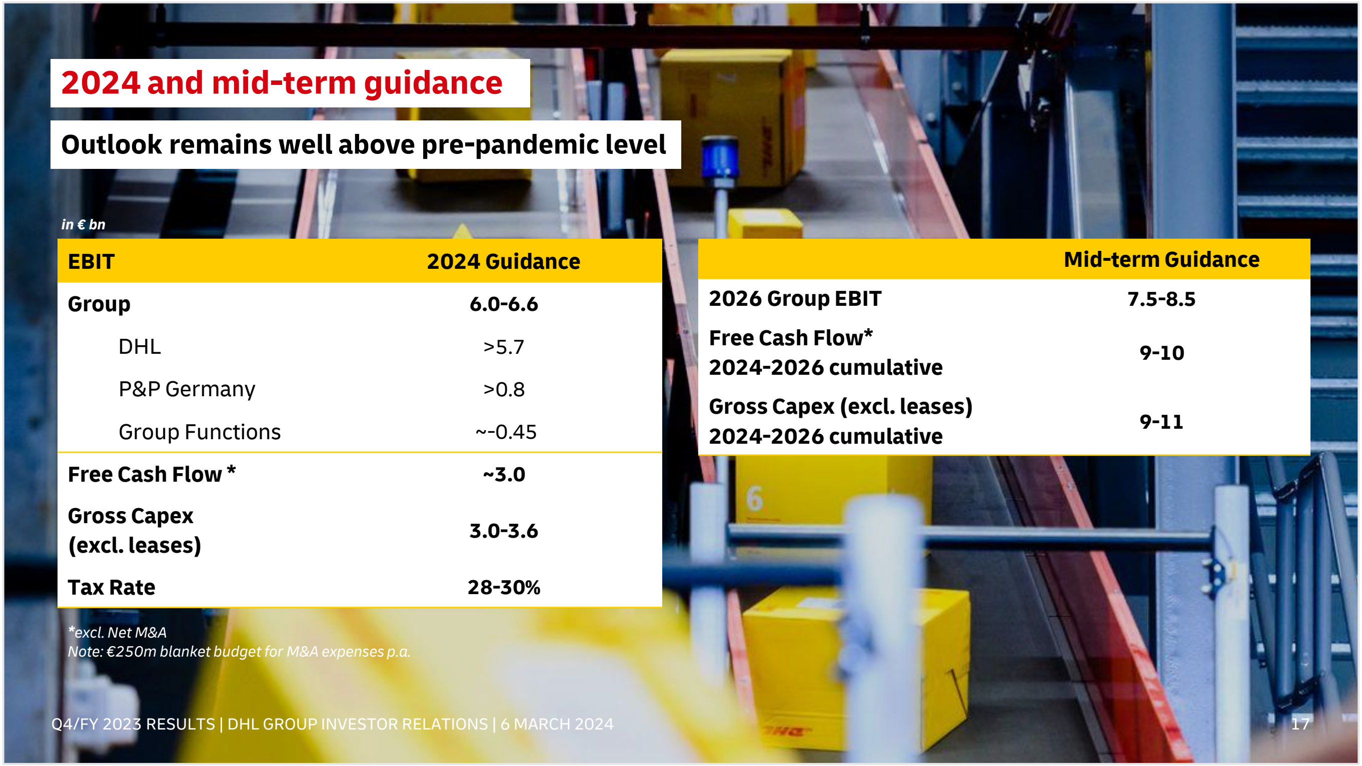
- Continued targeted investments in our core logistics operations, with flexibility to target attractive growth opportunities
- Our dividend proposal for a flat FY 2023 dividend against a 20+% EBIT decline proves our commitment to dividend continuity
- Our strong FCF allows us to further complement shareholder returns through a multi-year share buy-back program
- We use inorganic growth opportunities that strengthen our core logistics footprint along our established three M&A criteria



Management comments:
External factors have shown a continuation of the weak market environment so far this year. Activity levels are particularly subdued in Europe while the future development of China remains uncertain. Our 2024 guidance range is therefore driven by an expected EBIT decline in H1 balanced by EBIT growth in H2.

The following structural factors remain valid and supportive for 2024 performance; they will also contribute significantly to our mid-term growth expectations:

- E-commerce represents 25%+ of 2023 Group revenue
- Yield management: Express 2024 General Price Increase of 5.9% (average of ~5% p.a. in the past 10 years) and established yield mechanism in all divisions
- Digitalization, particularly process and system improvements of IT systems in Global Forwarding as well as standardization and digitalization initiatives in Supply Chain
- Omni-shoring with Supply Chain's industry-leading digital offerings and investment in fast growing markets (e.g. Middle East, Asia Pacific and Latin America) as well as global footprint of Express and Global Forwarding



2024 and mid-term guidance

Outlook remains well above pre-pandemic level

in € bn

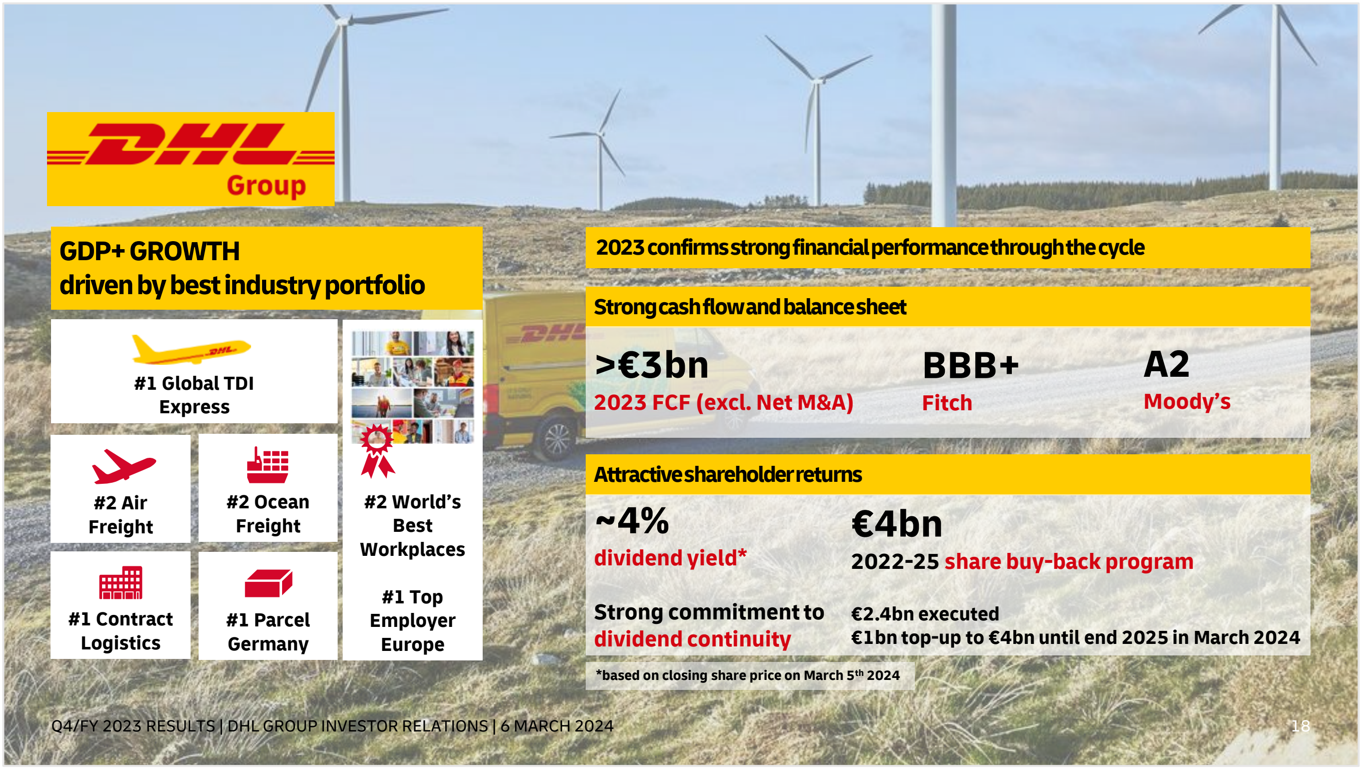
EBIT	2024 Guidance
Group	**6.0-6.6**
DHL	>5.7
P&P Germany	>0.8
Group Functions	~-0.45
Free Cash Flow *	**~3.0**
Gross Capex (excl. leases)	**3.0-3.6**
Tax Rate	**28-30%**

	Mid-term Guidance
2026 Group EBIT	**7.5-8.5**
Free Cash Flow* 2024-2026 cumulative	**9-10**
Gross Capex (excl. leases) 2024-2026 cumulative	**9-11**

**excl. Net M&A*
Note: €250m blanket budget for M&A expenses p.a.

Management comments:
2024 EBIT guidance range reflects our expectation of a yoy decline in EBIT in H1 balanced by growth in H2 as macroeconomic conditions improve. The wider range for capex reflects that investment spending follows the underlying macro development – this capex flexibility is one major driver of expected strong FCF generation. 2024 Reported FCF is projected at ~€2.75bn, including a €250m blanket budget for M&A expenses, which implies ~€3.0bn guidance for FCF excl. M&A. Continued focus on strategic bolt-on acquisitions; hence conscious decision against participation in Schenker process.

Our mid-term guidance assumes a return to GDP and market growth rates in line with long-term expected trends.



Management comments:
While FY 2023 EBIT is down yoy due to external market circumstances, our performance shows:

- our agility to preserve EBIT and FCF generation, also against prolonged downturn
- the confirmation of earnings and cash flow well ahead of pre-pandemic levels even without macro tailwind

Based on this sustainably stronger operating and financial performance, we will be able to leverage the volume re-acceleration once the (B2B) recovery sets in. In the meantime, DHL Group offers a strong balance sheet and reliable shareholder returns, combined with attractive structural growth potential.

INVITATION

DHL OPERATIONS TOURS

MILAN, ITALY
DHL Express hub tour

MARCH 20th

MIAMI, USA
DHL Express hub tour

MARCH 22nd
With DHL Group CEO (Tobias Meyer)

MADRID, SPAIN
DHL Express hub tour

JUNE 10th
With DHL Express Europe CEO (Mike Parra)

BRUSSELS, BELGIUM
DHL Express hub tour, DHL Supply Chain site tour and DHL eCommerce deep-dive

JUNE 20th / 21st
With DHL Supply Chain CEO (Oscar De Bok) and DHL eCommerce CEO (Pablo Ciano)

STRATEGY 2030 INTRODUCTION

SEPT

30th

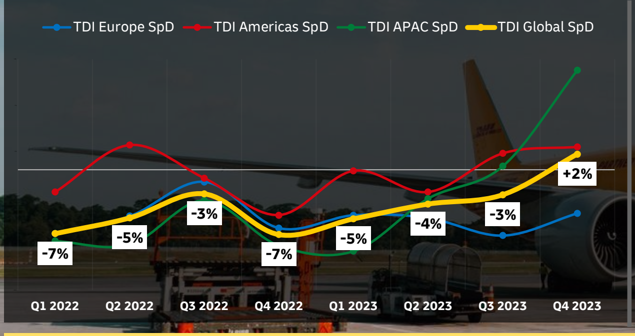
2024
LONDON, UK

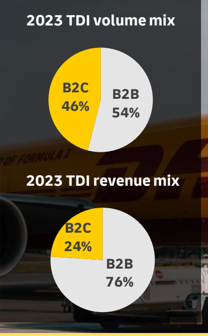
SAVE THE DATE

APPENDIX

Express

Network profitability impacted by trade lane imbalance; Base pricing remains strong





FY 2023

-3% yoy
TDI Revenue / Day

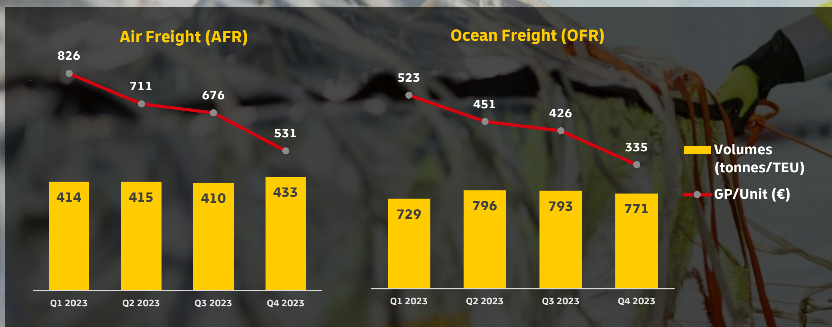
-3% yoy
TDI Shipments / Day

-2% yoy
TDI Weight / Shipment

- Volume uptick reflects B2C **peak season** (B2C Q4: +4% yoy), in particular Asia-outbound – but **no B2B recovery yet** (B2B Q4: -0% yoy)
- **Network profitability impacted by trade lane imbalance** driving higher costs on APAC volumes vs low utilization in other regions
- FY 2023 EBIT protected by **significant cost measures: -€1bn transport cost yoy, -2% FTE yoy**
- **No major net FX/fuel effect in Q4 and FY 2023**

Global Forwarding, Freight

Expected market trends: Volumes stabilizing and continued yield normalization



FY 2023

26%
DGFF Gross Profit Margin

7%
DGFF EBIT Margin*

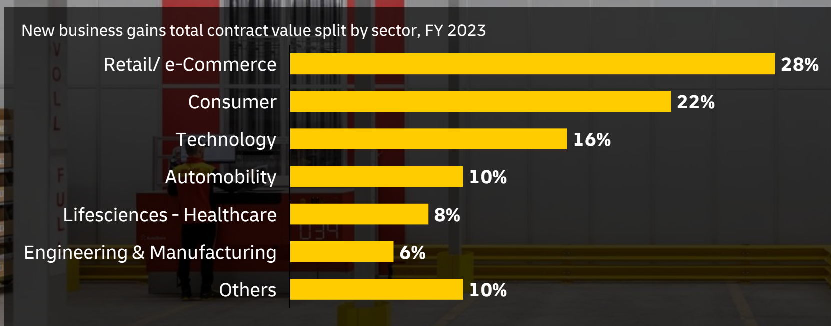
32%
DGF GP/EBIT Conversion Ratio*

*excl. EBIT effect from Danzas AEI Emirates

- AFR volume includes peak season contribution from e-commerce, but overall **no meaningful volume recovery in core markets** with 2023 AFR and OFR volumes below 2019 pre-pandemic levels
- **Yield normalization continuing** – GP/unit further declined qoq as stable volumes drive low level of market rate volatility
- Conversion rate in Global Forwarding, Freight supported by **EBIT protection measures** (indirect cost control and structural process improvement)
- Continued **gradual reduction in FTE (Q4 2023: -5% yoy)** reflecting volume development

Supply Chain

Delivering record EBIT in uncertain economic times



FY 2023

+4% yoy
Organic revenue growth

€961m
EBIT

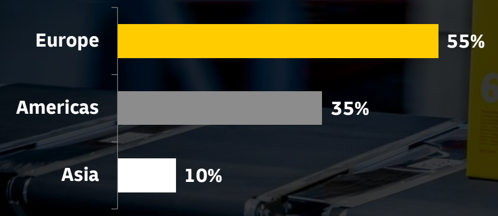
6%
EBIT margin

- Net growth supported by **continued strong new business gains:** revenue of €7,378m total contract value signed (FY 2023)
- Focus on **strategic products** such as service logistics and e-commerce supports profitable divisional growth
- **EBIT margin growth driven by continued deployment of digitalization, automation and standardization** resulting in productivity improvements as well as focus on higher margin solutions
- **Strategic investments** in high-growing markets (Latin America, Asia Pacific, Middle East) and sectors (life sciences and healthcare)

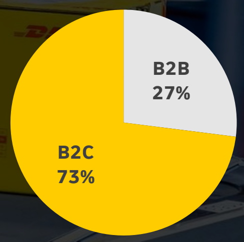
eCommerce

Seasonal acceleration in B2C – continued investments into long-term growth opportunity

Total revenue mix



Parcel revenue mix



FY 2023

+5% yoy
Organic revenue growth

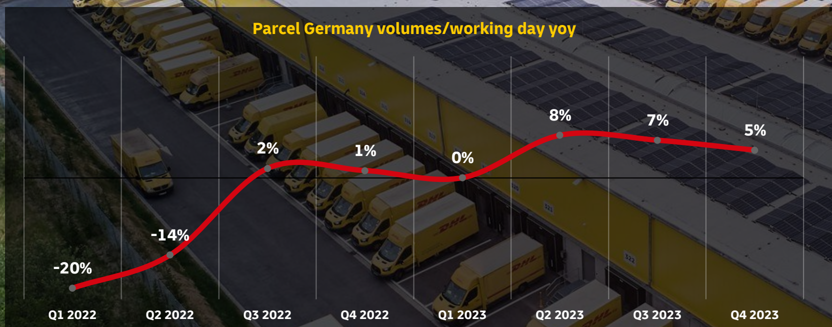
€292m
EBIT

5%
EBIT margin

- **B2C peak season** driving acceleration in Q4 volume and revenue
- **Structural e-commerce trend offset weak consumer spending**, with parcel volume & organic revenue growing yoy in 2023
- **Acquisition of MNG Kargo** (Top 3 Parcel provider in Turkey) closed in Q4
- **2024 GPI implementation** in line with annual sequence of yield management strategy
- **Targeted network investments maintained** to foster structural e-commerce growth opportunity

Post & Parcel Germany

Successful peak season management; significant capex cut to sustain cash generation



FY 2023

+5% yoy
Parcel volumes /working day

-5% yoy
Mail volumes/working day

€421m
Costs from wage agreement

- **Successful management of peak season in Parcel**: sequential acceleration of ~30% vs Q3, in line with usual seasonal pattern, **confirming intact structural e-commerce trend**
- **Launch of Parcel peak season surcharge** provided significant support to Parcel yield and overall EBIT performance
- Ongoing structural mail decline and unit cost inflation **require more flexibility on cost and yield measures in Mail**
- Cash Flow generation supported by **25% cut in FY 2023 capex**

Q4/FY 2023

Group P&L and Cash Flow Summary

in €m

	Q4 2022	Q4 2023	yoy in %	FY 2022	FY 2023	yoy in %
Revenue	23,776	21,348	-10.2%	94,436	81,758	-13.4%
Other operating income	928	735	-20.8%	2,925	2,787	-4.7%
Changes in inventories & work performed & capitalized	105	-86	-181.9%	511	165	-67.7%
Purchased goods and services	-13,357	-10,807	19.1%	-53,473	-41,663	22.1%
Staff costs	-6,743	-7,000	-3.8%	-26,035	-26,977	-3.6%
Other operating expenses	-1,671	-1,497	10.4%	-5,712	-5,409	5.3%
Net income from investments (equity method)	-24	153	737.5%	-39	161	512.8%
EBITDA	3,014	2,846	-5.6%	12,613	10,822	-14.2%
Depreciation, amortization and impairment loss	-1,092	-1,204	-10.3%	-4,177	-4,477	-7.2%
Profit from operating activities (EBIT)	1,922	1,642	-14.6%	8,436	6,345	-24.8%
EBIT margin (in%)	8.10%	7.70%		8.90%	7.80%	
Net finance costs	-104	-222	-113.5%	-525	-829	-57.9%
Profit before income taxes (EBT)	1,818	1,420	-21.9%	7,911	5,516	-30.3%
Income taxes	-427	-352	17.6%	-2,194	-1,581	27.9%
Tax rate (in %)	23.50%	24.80%		27.70%	28.70%	
Consolidated net profit for the period	1,391	1,068	-23.2%	5,717	3,935	-31.2%
Non controlling interest	-56	-87	-55.4%	-358	-258	27.9%
Net profit attributable to DPAG shareholders	1,335	981	-26.5%	5,359	3,677	-31.4%
Basic EPS	1.11	0.83	-25.2%	4.41	3.09	-29.9%

	Q4 2022	Q4 2023	yoy in %	FY 2022	FY 2023	yoy in %
EBIT	1,922	1,642	-14.6%	8,436	6,345	-24.8%
Depreciation/amortization	1,092	1,204	10.3%	4,177	4,477	7.2%
Change in provisions	-19	305	1705.3%	78	-38	-148.7%
Income taxes paid	-491	-345	29.7%	-1,782	-1,625	8.8%
Other	-17	-219	-1188.2%	-159	-437	-174.8%
Changes in Working Capital	603	-107	-117.7%	215	536	149.3%
Operating cash flow	3,090	2,480	-19.7%	10,965	9,258	-15.6%
Net capex	-1,471	-885	39.8%	-3,800	-3,228	15.1%
Net Cash for Leases	-703	-726	-3.3%	-2,535	-2,761	-8.9%
Net M&A	-99	-389	-292.9%	-1,540	-381	75.3%
Net interest	-35	-45	-28.6%	-23	54	334.8%
Free Cash Flow	782	435	-44.4%	3,067	2,942	-4.1%