

Deutsche Post DHL Group introduces Sustainability-Linked Finance Framework in line with its ambitious sustainability targets

- With its new Sustainability-Linked Finance Framework, Deutsche Post DHL Group creates the preconditions for sustainable financing
- In the future, reaching sustainability targets may change interest rates to be paid by the company
- The framework is accessible with immediate effect and can be used for long-term future debt issuances

Bonn, November 28, 2022: Deutsche Post DHL Group integrated sustainability targets into its business strategy at an early stage and is now taking it a step further by allowing to link the Group's sustainability targets to its future long-term financial instruments, hence further expanding its commitment to sustainability. To this end, the company has now introduced a framework which allows it to issue sustainability-linked bonds in the future.

With its "Sustainability-Linked Finance Framework", Deutsche Post DHL Group created a direct relation between its sustainability strategy and its financing strategy. The framework enables the issuance of debt instruments (e.g. bonds), whose coupons are linked to the achievement of the Group's aspirational CO₂ emissions reduction target. Depending on the Group's performance towards net-zero emissions logistics, the interest rates of the sustainability-linked debt instruments can change.

"I am very happy about today's announcement, as I truly believe that integrating our sustainability targets into our financing strategy accelerates the green transformation of Deutsche Post DHL Group. The Sustainability-Linked Finance Framework is an important milestone that shows our commitment towards permanently reducing our company's carbon footprint. Furthermore our framework is designed to serve as a financial incentive to deliver on our environmental ambitions. This creates trust and transparency for our customers and investors", said Chief Financial Officer Melanie Kreis.

For the issuance of sustainability-linked debt instruments, Deutsche Post DHL Group will use its absolute annual CO₂ emissions as a key performance indicator to determine interest payments. In doing so, the Group is stressing the urgency to decarbonize the entire logistics sector and underscores its commitment towards reducing the Group's greenhouse gas emissions to below 29 million tonnes of CO₂e by 2030. This emissions target is in line with the Paris Agreement and was validated and approved through the Science-Based Targets initiative (SBTi) in October, 2022. In 2017, the company announced its goal to reduce all logistics-related emissions to net zero by 2050. In doing so, Deutsche Post DHL Group is contributing to the Paris climate protection agreement's goal of limiting global warming 1.5 degrees Celsius and also supports the United Nations' Agenda 2030.

Going forward, the framework can be used for long term debt issuances. Missing its ambitious interim environmental target by 2030 will result in higher interest rates to be paid to debt investors. The concrete terms and conditions will depend on individual debt issuances. SEB (Skandinaviska Enskilda Banken AB (publ)) acted as advisor for the development of the framework.

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Deutsche Post DHL Group is the world's leading logistics company. The Group connects people and markets and is an enabler of global trade. It aspires to be the first choice for customers, employees and investors worldwide. The Group contributes to the world through responsible business practice, corporate citizenship and environmental activities. By the year 2050, Deutsche Post DHL Group aims to achieve net-zero emissions logistics.

Deutsche Post DHL Group is home to two strong brands: Deutsche Post is Europe's leading postal service. DHL offers a comprehensive range of international express, freight transport, and supply chain management services as well as e-commerce logistics solutions. Deutsche Post DHL Group employs approximately 590,000 people in over 220 countries and territories worldwide. The Group generated revenues of more than EUR 81 billion in 2021.

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