

AUTO – MOBILITY DIGITAL CONFERENCE



DHL Global Forwarding - The logistics company for the world

DHL Global Forwarding, Freight

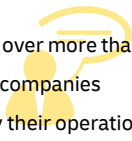
Business model

- Specialist in Air, Ocean and Road Freight as well as industrial projects and end-to-end transport management solutions
- Tailored sector solutions
- Asset-light business model, based on brokerage of transport services



Customers

- Strong customer orientation, with a portfolio that spreads over more than 150 countries
- Established customer base including >50% of Forbes 500 companies
- Delivers solutions tailored to customer needs that simplify their operations and maximize their opportunities



Market position/trends

- Global No. 1 in Air Freight and No. 2 in Ocean Freight
- Focus markets: BRIC+M, further Emerging Countries/Markets, Europe
- No. 2 in European Road Freight with presence in more than 50 countries and territories



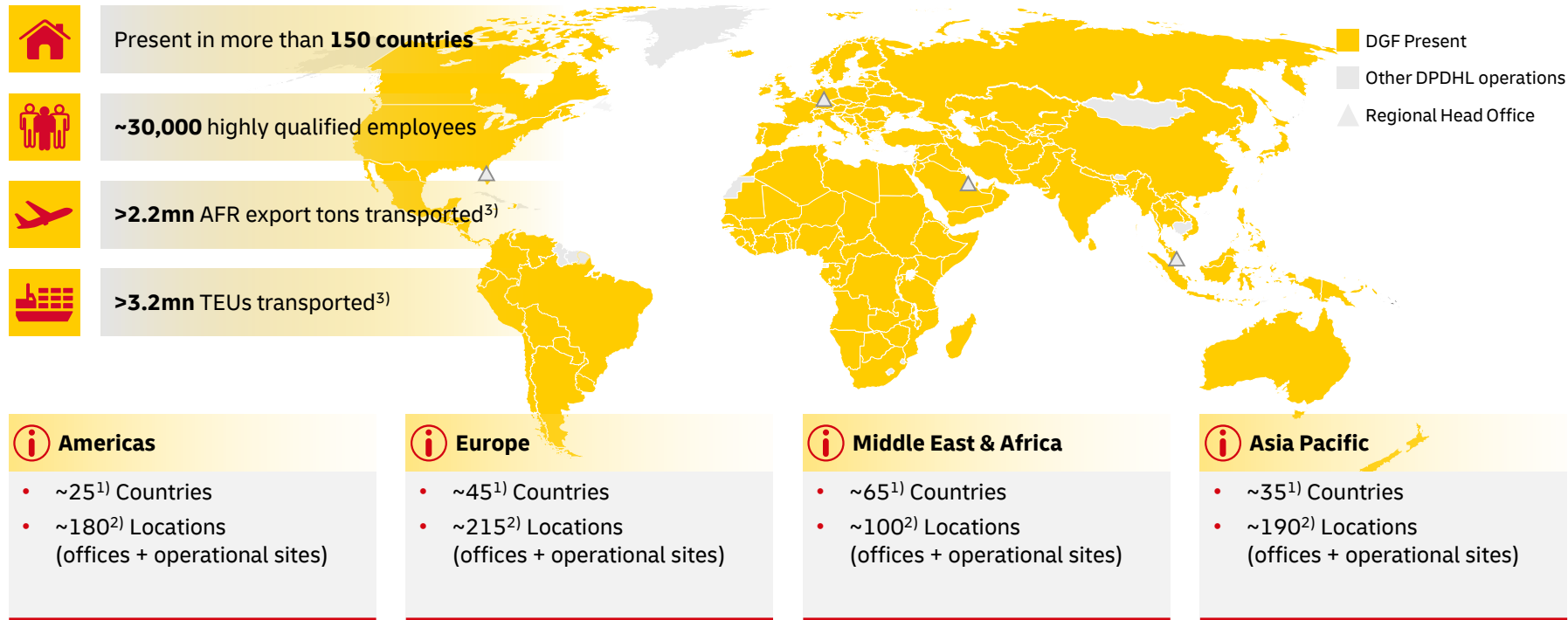
Strategy

- Strategic focus on sustainable growth, customer and operational excellence as well as maximizing profitability
- Improve Forwarding operating performance while implementing step by step IT renewal
- Further strengthen market position as industry leader



Source: Global Forwarding staff dep.

We are market leaders in size and scope



1) Including agent countries; 2) Estimate as of January 2020, this is subject to change depending on business operating needs and environment; 3) As per FY 2018

Deutsche Post DHL Group has released its new Strategy 2025 – Delivering excellence in a digital world



This is where our
DGF Simplify
Strategy sits



DHL Global Forwarding – Our strategy, our aspiration and our goals

SIMPLIFY

Our Aspiration: Undisputed Industry Leader



Our Strategic Framework

... guided by our **Goals & Values**

... enabled by **Digitalization**

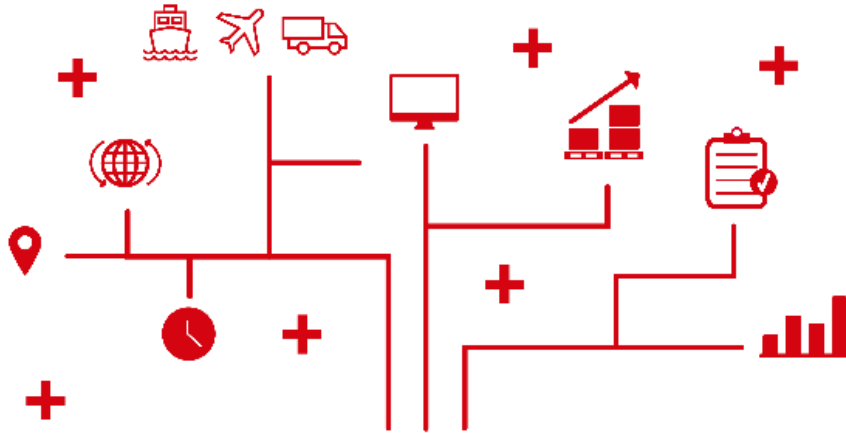
... inspired by our **Service Promise**



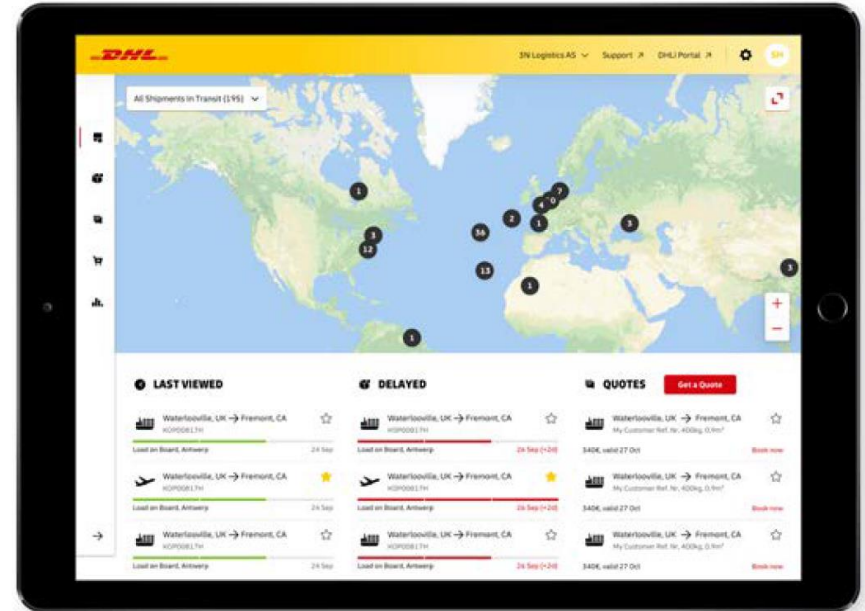
The Freight Forwarding Experts. Since 1815.

DHL Global Forwarding – Digitalization

Our IT Renewal Roadmap helps us to improve our IT landscape...



... and myDHLi will support us to improve our Customer experience!



DHL Global Forwarding products & solutions portfolio

DHL Global Forwarding									
Products						Solutions			
Air Freight	Ocean Freight	Road Freight	Rail Freight	Customs Services	Same Day	Transp. Solutions	Wareh. Solutions	Mngmt. Services	Integrated Solutions
DHL Air Priority DHL Air Connect DHL Air Economy DHL Air Charter DHL Air Theronet	DHL Ocean Direct FCL DHL Ocean Connect LCL DHL Ocean Container Management DHL Ocean Special DHL Ocean Assembly DHL Ocean Charter DHL Ocean Theronet	DHL Asialine DHL Asiaconnect DHL Africaline DHL Africaconnect	DHL Railline DHL Railconnect	DHL Customs Services	DHL SameDay Jetline DHL SameDay Sprintline DHL SameDay Speedline	DHL Domestic Freight Forwarding DHL Door-to-More DHL SeAir DHL Air Freight Plus	Transport-related Warehousing	Customs Consulting Logistics Consulting	DHL Lead Logistics Partner DHL Industrial Projects DHL Intl. Supply Chain LifeConex DHL Trade Fairs & Events
Additional Services & Special Expertise: DHL Cargo Insurance, DHL Security Services, DHL Ocean Secure, DHL Flexitanks... & DHL GoGreen Solutions									
SECTORS & SECTOR EXPERTISE: Automotive, Engineering & Manufacturing, Technology, Life Sciences & Healthcare, Energy, Consumer, Chemicals, Retail, Public Sector; DHL Wine & Spirits Logistics, DHL Perishable Logistics									

Our Air Freight products

DHL Air Priority

Typical transit time of 1–2 days

Ideal for time-sensitive freight, DHL Air Priority provides the fastest possible door-to-door freight forwarding transit time.

Using the first scheduled carrier flight, this service delivers accelerated shipment clearance and handling at origin and destination.

DHL Air Connect

Typical transit time of 3–5 days

DHL Air Connect is the fast and flexible choice for moving a wide range of freight shipments across the globe.

DHL Air Economy

Typical transit time of 5–7 days

Using the most economical routing and carrier selection, DHL Air Economy is a cost-effective solution that doesn't compromise on customer service.



Our broader Air Freight capabilities

DHL Airfreight Plus

Simplifying air freight transport, DHL Airfreight Plus offers a range of day definite transit times for door-to-door intra-European and intra-Asia freight shipments, in one all-inclusive rate.

Built upon DHL feeder and carrier network, shipments benefit from daily departures, fixed schedules and local DHL expertise

DHL Door-To-More

Combines DHL leading intercontinental transportation capabilities with our comprehensive ground distribution network. DHL Door-to-More provides end-to-end transparency and helps customers shorten delivery time to market and cut supply chain costs.

DHL SeAir

DHL SeAir combines the speed of air freight with the economy of ocean freight.

This solution offers the ideal balance, with faster transit times than conventional Less than Container Load (LCL) movement and at a considerably lower cost than pure air freight.



What makes DHL Air Freight special?

DHL is unique among global logistics providers.

No other company has a broader range of Air Freight services, from simple air cargo to sector-specific solutions, all backed by deep expertise.

With one invoice in one currency, only one company is dedicated to making international Air Freight beautifully simple.

- The most complete Air Freight service portfolio
- Exceptional global reach
- Deep sector and trade lane expertise
- Dedicated Customer Service
- Sophisticated IT tools

- Simple global tariff
- Extensive network of customs experts
- Unrivalled security expertise.



Our DHL Ocean Direct FCL service offering

We are in a fast changing and highly competitive industry. The global economy is uncertain, which makes freight volumes hard to predict and increases volatility around rates and capacity. In this environment it's harder than ever for businesses large or small to ensure reliability and control costs along the supply chain.

Full container loads provided by DHL Ocean Direct FCL ensure a reliable, safe and cost-efficient transportation from door to door globally. Using various equipment types, we offer tailored services for all kinds of commodities. Through our centralized purchasing management, we negotiate total volumes with first-class carriers to give you the highest quality, space allotment and optimum pricing for your FCL freight. Booking and shipping instructions are conveyed to the shipping lines via our carrier-supported EDI messaging. Streamlined and paperless, this simplifies the documentation process and ensures the highest degree of data accuracy and efficiency.

What matters most to our customers is being served by people who know ocean freight; from the person who answers their call right through to our dedicated industry logistics experts.



Why you should choose DHL Ocean Direct FCL

Logistics expertise for any size of business



The combination of our vast experience in major industry sectors and powerful information solutions ensures you have the information and answers you need:

- Specific expertise covers Automotive, Consumer, Engineering and Manufacturing, Technology, Chemicals, Retail, Life Sciences and Healthcare and Energy
- Logistics specialists recommend ways to improve customers' performance and drive out costs
- Innovative products including Flexitanks liquid transportation system

The scale to offer more



Our forwarding service offers an unrivalled range of integrated air, ocean, rail and road transport:

- More port pairs and services than any other provider
- A global infrastructure providing network coverage in more than 180 countries
- Combined air, ocean, and rail freight services

Reliability, flexibility and quality built in



Our capacity guarantee, and our rigorous vendor selection and management process are continually monitored to improve quality:

- Capacity and space protection from and to all major global ports
- Competitive pricing worldwide including index based rate offering

DHL Ocean Direct FCL innovative services

Green Danmar

What is it and how does it work?

Green Danmar uses carbon-efficient ocean freight to meet the transportation needs of the environmentally conscious customer, with a carrier which is over 5% more carbon-efficient than the industry average. It is offered to customers using the DHL Ocean Direct FCL product and is provided through Danmar Lines, DHL own NVOCC (Non-Vessel Operating Common Carrier).

In addition, customers have the choice to combine this service with DHL's offsetting solution, and turn their consignment into a CO₂ free shipment, further improving their ocean freight carbon efficiency, and as a result reducing their CO₂ emissions.

Key customer benefits

- Selection of green carriers which best fit the operational needs of the customer
- Genuine proof of carbon reduction and efficiency improvements to substantiate the customer's external sustainability communication
- Enables customers to neutralize their emissions at the best price – without any additional efforts on their side
- Customers benefit from DHL environmental carrier evaluation and carbon efficiency database



Our DHL Ocean Connect LCL service offering

At DHL we know the importance of helping our customers meet their promises and their deadlines. That's why when you ship with our DHL Ocean Connect LCL services you ship with certainty.

The LCL business works on the basis of consolidating several smaller shipments either from different shippers and/or different consignees into one container. You will enjoy a simple flat Ocean Freight rate per CBM or TON for the actual shipment size booked. DHL Global Forwarding (DGF) operates our own Non-Vessel Operating Common Carrier (NVOCC), Danmar Lines (DL). Danmar Lines bills of lading are issued as carrier to you, these include all INCO terms, door-to-door or any other combination.



Why you should choose DHL Ocean Connect LCL

Industry Expertise and Security



With DHL, you know that you'll consistently receive the expertise and security you demand at all times:

- Trained OFR experts throughout the Supply Chain handle your LCL cargo globally
- We have industry expertise in many sectors including Automotive, Technology, Chemicals, Retail, Life Sciences and Healthcare, Consumer, Engineering and Manufacturing and Energy
- Own In House LCL network: Cargo is handled and checked in our own/approved warehouses at all locations. More than 99.75% of all shipments are transported safely with no damages

The scale to offer more



Our scale, financial strength, consistent track record and reliability mean you can count on us to deliver the LCL service you need:

- More ocean loops and services in LCL than any other single freight forwarder, with access to every major container port in the world
- On the ground presence in over 180 countries and territories, over 60 national gateways and nine multinational gateways with local expertise in every country we serve
- Access to 45,000 point pairs with over 2,800 weekly LCL direct services, through a single provider

Reliability, flexibility and quality built in



A key client of the top ten worldwide carriers, we have planned space protection in all LCL point pairs, and offer a Shipped as Booked policy:

- Unique DHL Ocean Connect LCL services complimented by our multi and single country consolidations (when multiple shippers can be combined into FCL dedicated buyers' consolidation containers)
- Our six Sigma trained logistics specialists work with customers to identify opportunities, recommend ways to improve performance and drive down costs along the Supply Chain

DGF decarbonizes all LCL Ocean Freight shipments globally with sustainable marine biofuels



DECARBONIZATION

In line with Deutsche Post DHL Group's "Mission 2050 – Zero Emissions", **DGF is committed to lead the transition to clean and sustainable sea freight transport**



CUSTOMER BENEFIT

This is not only another important milestone on DPDHL Group's journey to Mission 2050, but also **helps our customers reduce their carbon footprint at no extra cost**



SUSTAINABILITY CRITERIA

The waste-based biofuels must meet the requirements to be qualified as the cleanest biofuels currently available on the market

Source: DHL Global Forwarding – GoGreen Team

Auto - Mobility Digital Conference October 6th & 7th

DHL RailLine

Our Full-Container-Load (FCL) rail multimodal service available with single containers, wagon groups and block train movements. Economic and environmentally friendly, providing reliable time and cost efficient transportation solutions.



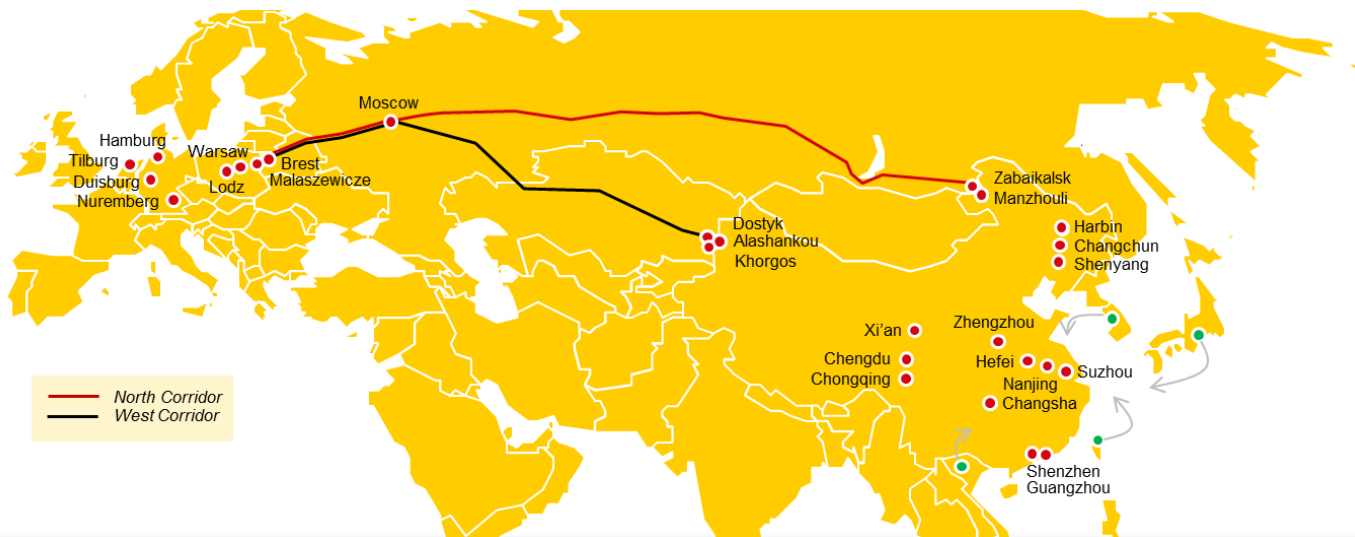
Key features

- Defined **schedule and capacity providing fast and secure** connection between Asia ↔ Europe
- State-of-art **Track & Trace** system to maintain customers always informed about the shipment status
- Different **levels of security** during the trip: physical security on the wide gauge route + RFID – Monitoring
- **Temperature Controlled** containers available for shipments between -25C/+25C degrees
- **Cargo ‘all risks’ insurance** available upon request at competitive prices
- **Carbon emission** friendly transportation mode, helping customers to meet environmental commitments

Customer benefits

- Highly reliable **door-to-door lead times**
- **Environmentally** friendly & **cost effective** solution
- **More economical** than standard Air Freight, **faster** than standard Ocean Freight
- **Flexibility** to meet business peaks and market fluctuation
- **High quality and reliability** assured by DHL’s predetermined routes and handling locations
- **End-to-end** visibility

China ↔ Europe: DHL West & North corridors – DHL hubs



- Flexible Multi-terminal solution based on various services to deliver cargo within a confirmed door-door transit time from China to Europe
- Reduced risk of congestion or lack of space
- Solution design by DHL experts
- Cost effective service solution

DHL RailConnect

Our Less-than-Container-Load (LCL) rail multimodal service is a flexible option with reliable and pre-defined scheduled departures and capacities. A fast and secure option, environmental friendly and efficient.



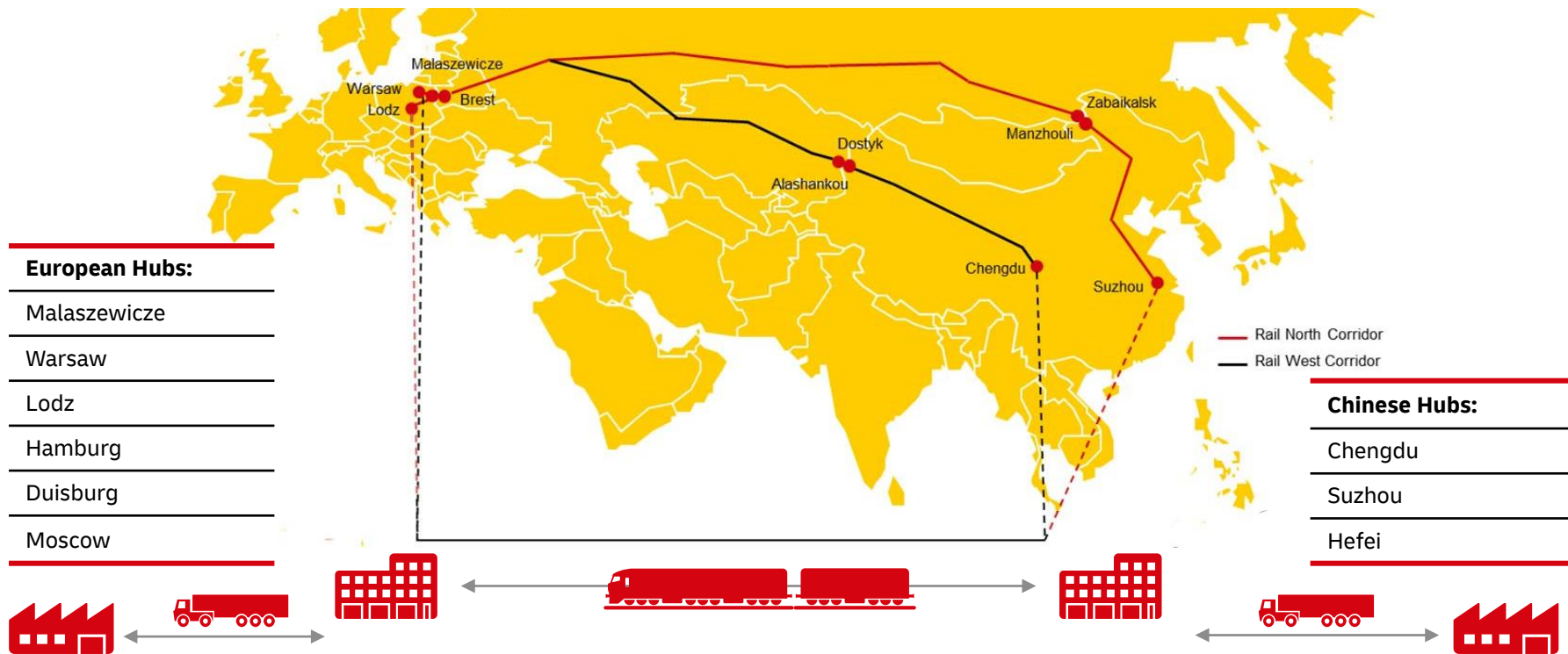
Key features

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- Different **levels of security** during the trip: physical security on the wide gauge route + GPS Monitoring
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- Highly reliable **door-to-door lead times**
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DHL RailConnect: China ↔ Europe



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DHL AUTO-MOBILITY SECTOR



DHL Auto-mobility Sector

DHL offers reliable and compliant end-to-end Supply Chain solutions to the Auto-Mobility industry, improving our customers' productivity, increasing efficiency and reducing cost.

We are committed to drive value within our customers' Supply Chains.

Sub-Sectors: Vehicle Manufacturers (Passenger & Commercial Vehicles), Component Manufacturers, and Tires.



Key trends

OEMs and tier supplier lean Supply Chain thinking

- Synchronized material flow from source to manufacturing
- Management of I2M (Inbound-to-Manufacturing) from supplier base to purchase order and part number level detail
- Small lot sizes and higher frequency to manage effective cash flow
- Focus on Total Cost of Ownership

Increasing markets

- Sales growth in emerging markets changes Supply Chain requirements with focus on lead time and cost
- Shift to new markets (Eastern Europe, S.E. Asia)

Shift to Electric Vehicles

- New consumer demands (autonomous driving, vehicle sharing, etc.)
- Different suppliers, fewer parts, more high-tech components

Logistics centralization to reduce cost

- Greater influence of global procurement
- Focus on consolidation of logistics spend and less LSP's

Logistics implications

- Buyer's **consolidation** programs
- **Supplier** management and end-to-end visibility
- Sophisticated IT tools
- Efficient use of **all transport modes**
- Deployment of **Mode Optimization** tools and processes
- **Agile response** to changing global footprint
- Consistent **service levels** globally
- Effective and responsive account management structure
- **Rationalization** of logistics providers
- Globally aligned communication structure
- Battery logistics
- Focus on tech suppliers e.g., semiconductors
- Transportation of high-value material
- Logistics providers with **global capabilities** and local knowledge
- **Agile Supply Chain** necessary to support new suppliers
- Commoditization of Transportation cost

DHL Auto-mobility Sector: value proposition

Auto-mobility **Expertise** and People Know-How



Our **experts are at your service** to provide pro-active information

- Unique **auto-mobility Solutions** offering
- **Worldwide pool** of auto-mobility experts within the DHL community
- **In-depth knowledge** of auto-mobility value creation and value stream mapping
- **Industry focus** on TCO, productivity enhancements and effective inventory management

Global Infrastructure and Networks



We accompany you **wherever your customers** and suppliers need you

- **Over 150 auto-mobility facilities** worldwide
- **9 Competency Centers**, including China, India, USA, Brazil, Mexico, Germany
- **Leverage** of world's largest logistics network for **auto-mobility industry**
- **Investments** in markets where growth and complexity is high, including: **BRIC, Mexico, Africa**
- **CALA 4.0** Talent management

Reliability and Quality of Solutions



We help you deliver **the highest quality** to your customers

- **Our OFR and AFR service** offering provides tailored capacity and flexibility through Mode Optimization to optimize **control of inventory**
- **World class service** offerings with focus on lead time management
- **Effective Global Supply Chain management** supporting Plan, Source, Make, Deliver and Return processes

Innovation and **Flexibility** of Solutions



We **anticipate your needs** whilst setting standards for the industry

- **Auto-mobility Competency Centers** to optimize lead-time and operational control
- **FCM tool** provides real-time tracking at **Part Level**
- **Auto-mobility Packaging** solutions
- **First Choice** enables **six sigma thinking**
- **Global Innovation Center**
- **Supply Chain risk management tool** offering security and predictability

Value offering: auto-mobility competency center

Auto-mobility Competency Center

The diagram shows a central box labeled 'Auto-mobility Competency Center' at the top. Below it, three yellow arrows point down to three separate boxes: 'Operational Excellence' on the left, 'Auto CC Products and Process Design' in the center, and 'Sales Support' on the right. Each of these three boxes has its own list of bullet points. The background of the slide is a blurred image of a car's interior.

Operational Excellence

- Control Tower
- SPOC
- Premium Freight
- Handcarry/7-24
- Exception Management
- Escalation
- Station compliance monitoring
- Global network

Auto CC Products and Process Design

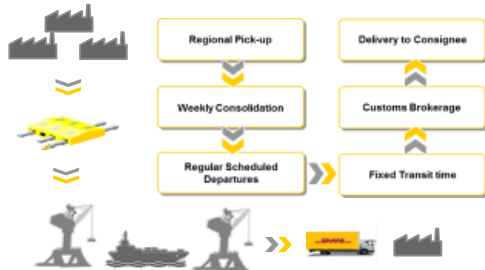
- Order and Supplier Management
- Buyer's Consolidation
Air + Ocean
- FCM + DHLi Experts
- Process design and Implementation support
- Issuing and maintenance of COP

Sales Support

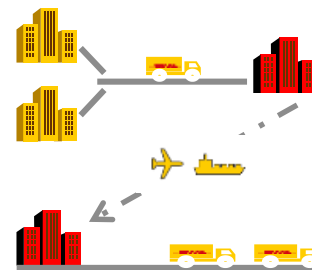
- KPI/reporting
- Continuous Improvement Initiatives (i.e., First Choice activities ...)
- QBR preparation and participation
- Auto CC Value Proposition
- Rate card maintenance
- Ad hoc quotes

Value offering: auto-mobility sector solutions

DHL Auto-mobility Buyer's Consolidation Europe



DHL auto-mobility integrated Supply Chain offering and solutions



Network
optimization

Packaging development &
optimization

X-BU
integration

FCM Auto
solution

Transport on demand

Cloud
solutions

Materials
management

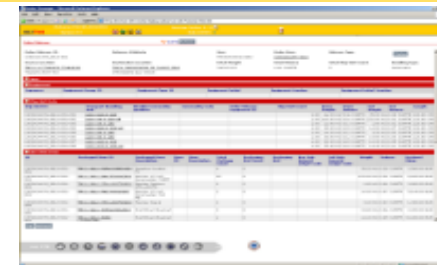
DHL auto-mobility packaging solutions



DHL auto-mobility multi-modal solutions



DHL auto-mobility FCM end-to-end visibility solutions








SUPPORTING OUR CUSTOMERS THROUGH BREXIT



DHL is active with political engagement

DHL is working closely with EU and UK legislators, and has been since the referendum in June 2016, to help them understand the complexity and implications of Brexit terms on businesses, highlighting issues and calling for terms that are in the interest of our organisation and our customers.

 Customs	 Road haulage	 Ports infrastructure	 Aviation	 Immigration
Simplified declarations & automatic release for Authorised Economic Operators (AEOs)/Inland pre-clearance/Use of periodic payments/Maintenance of special customs procedures post-Brexit	Maintenance of current road market access with no rationing of international freight permits/Mutual recognition of driving licenses and driver qualifications & vehicle standards/Light touch international trailer registration	No border inspection/Reduction in checks for agrifood on both sides of the border	European Aviation Safety Agency (EASA) membership/Maintenance of existing rules for airlines and existing EU and US market access rights/Security agreement for cargo	Simple visa requirements for key workers



Progress is being made across all topics listed above, however the outcomes remain subject to final notification.



Your customs & trade compliance experts

DHL will continue to champion Customs & Trade Compliance, and keep you informed

As negotiations progress, we will continue to champion international trade, and proactively engage with Government and relevant bodies to lobby for key decisions.

We are accustomed to dealing with political, regulatory, social and economic differences around the world, and adapting to changing conditions is one of the daily challenges in our business.

So, as **Customs & Trade Compliance experts**, we are confident that, even after the UK's withdrawal from the EU, we will be able to develop and implement any new logistics adjustments that are needed, and will continue to support you to take advantage of global trade opportunities in Europe and the rest of the world.



The customs & trade compliance experts, ready for Brexit

DHL Global Forwarding, Freight already have a number of key differentiators and all the expertise needed to support you **through Brexit and all around the world**



5,550

dedicated customs
professionals globally



10mn

customs transactions each year
globally



Government Authorities

relationships on global, regional
and local levels such as World
Customs Organization (WCO)



AEO

Accreditation in all government
customs and security programs
where available
(e.g., AEO, C-TPAT, other
equivalent programs)



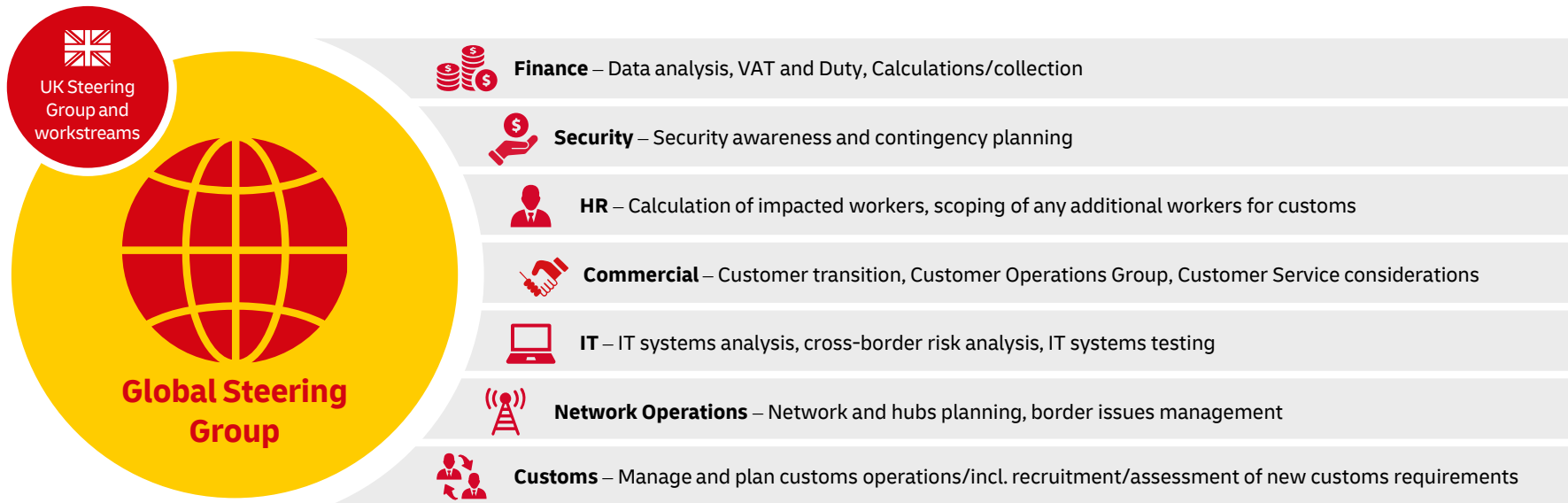
WHAT IS AEO?

- AEO status is an international quality mark for companies whose customs processes are secure and efficient
- AEO enables us to leverage Customs Freight Simplified Procedure (CFSP) in the UK, for example

What are we doing to prepare for Brexit?

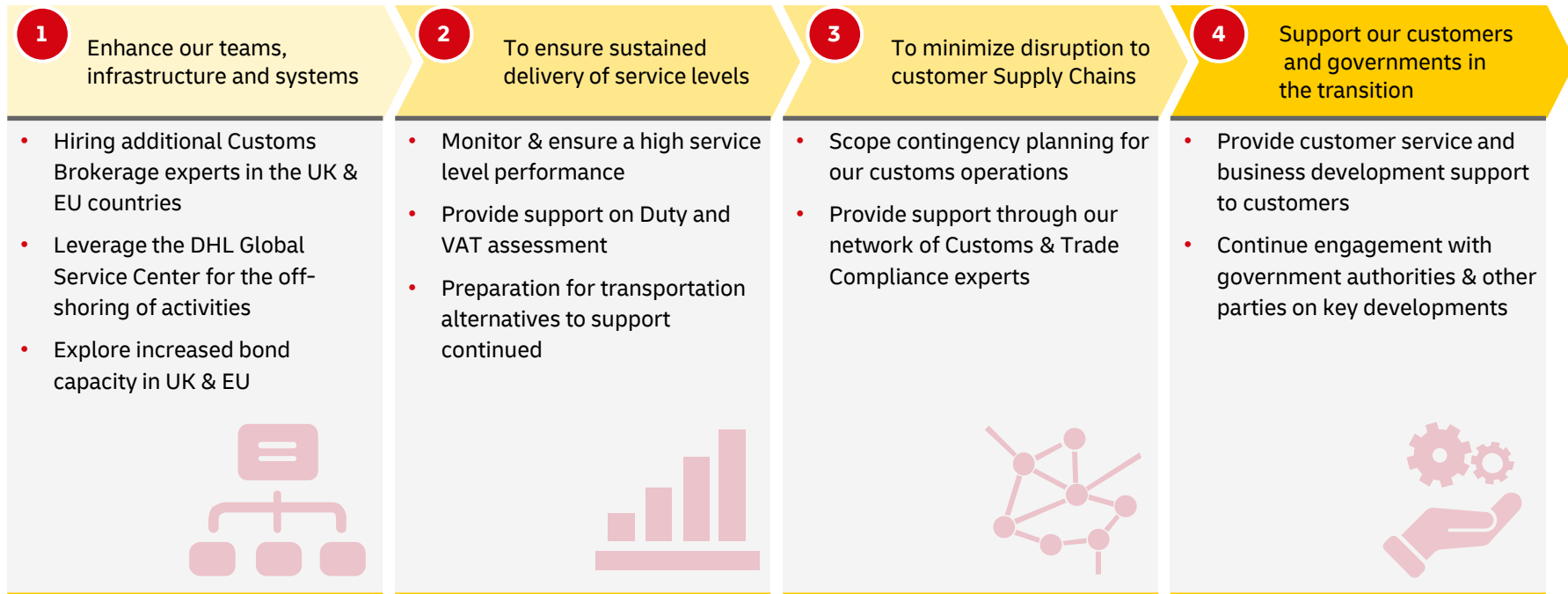
Our expert taskforces in the UK and Europe have been assessing every aspect of Brexit for more than 30 months, considering all implications for international trade.

Brexit taskforce work streams



DHL Global Forwarding, Freight – Our plans

DHL Global Forwarding, Freight has a comprehensive plan in order to **get ready for BREXIT**, including:



DHL Global Forwarding, Freight – Customer support

DHL Global Forwarding has been supporting customers from a Customs Brokerage perspective in many different ways, including:

1. **Conducting workshops with our customers** – supporting our customers by jointly analyzing shipment flows and creating contingency plans for Brexit
2. **Smart use of data** – engaging with our customers to understand data integration possibilities as a means to facilitate efficient clearances
3. **Contingency plan in place** – including people, systems & processes
4. **Closely following developments** – keeping abreast of the changing political & regulatory situation, and advising our customers accordingly
5. **Developed to-be processes for customers** – tailor made solutions to cover different negotiation outcomes



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ENJOY OUR DIGITAL EVENT

