



STRATEGY 2025
**Delivering excellence
in a digital world**

DEUTSCHE POST DHL GROUP

TAX STRATEGY 2025

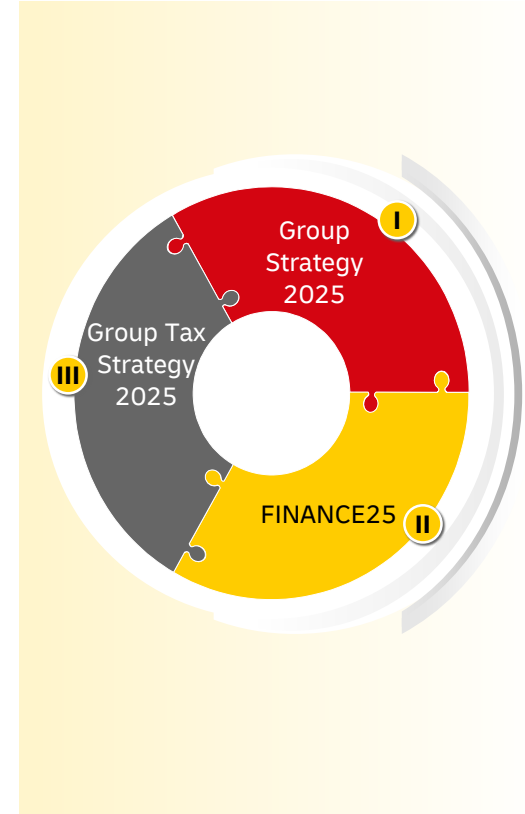
Bonn, July 2021

Corporate Tax

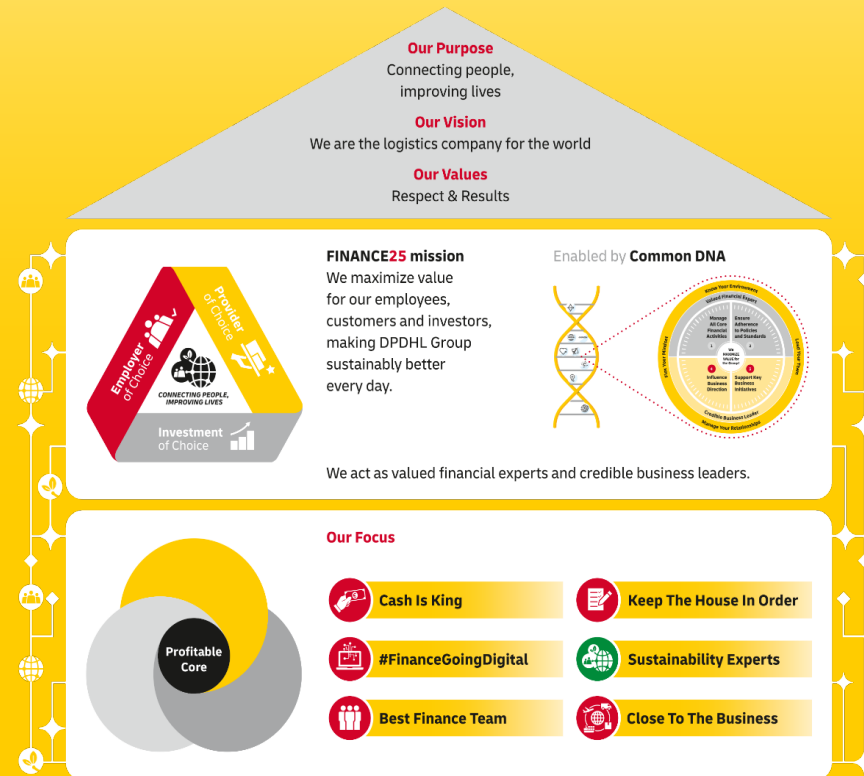
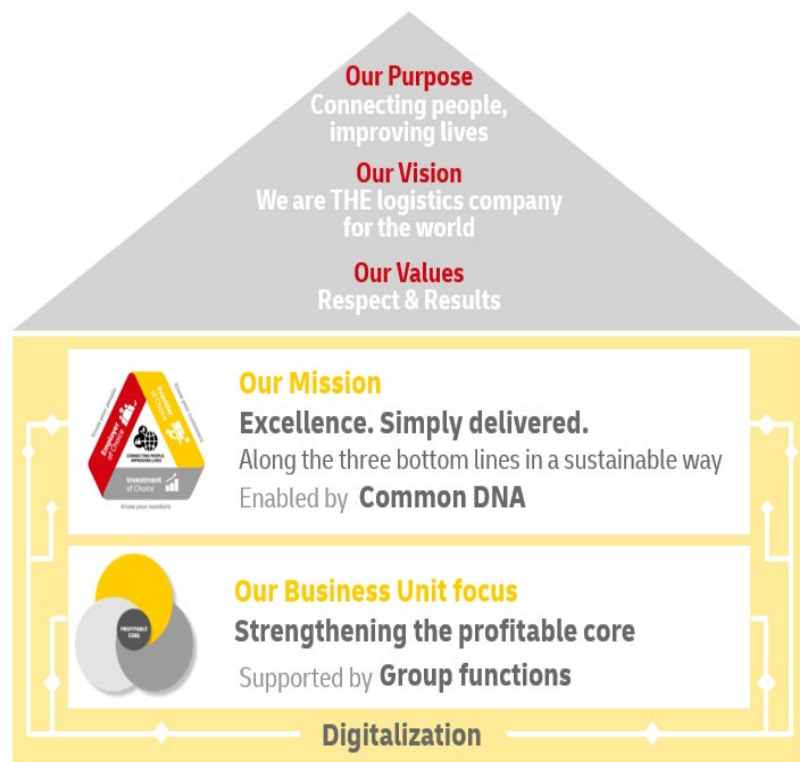
**Deutsche Post DHL
Group**

Introduction

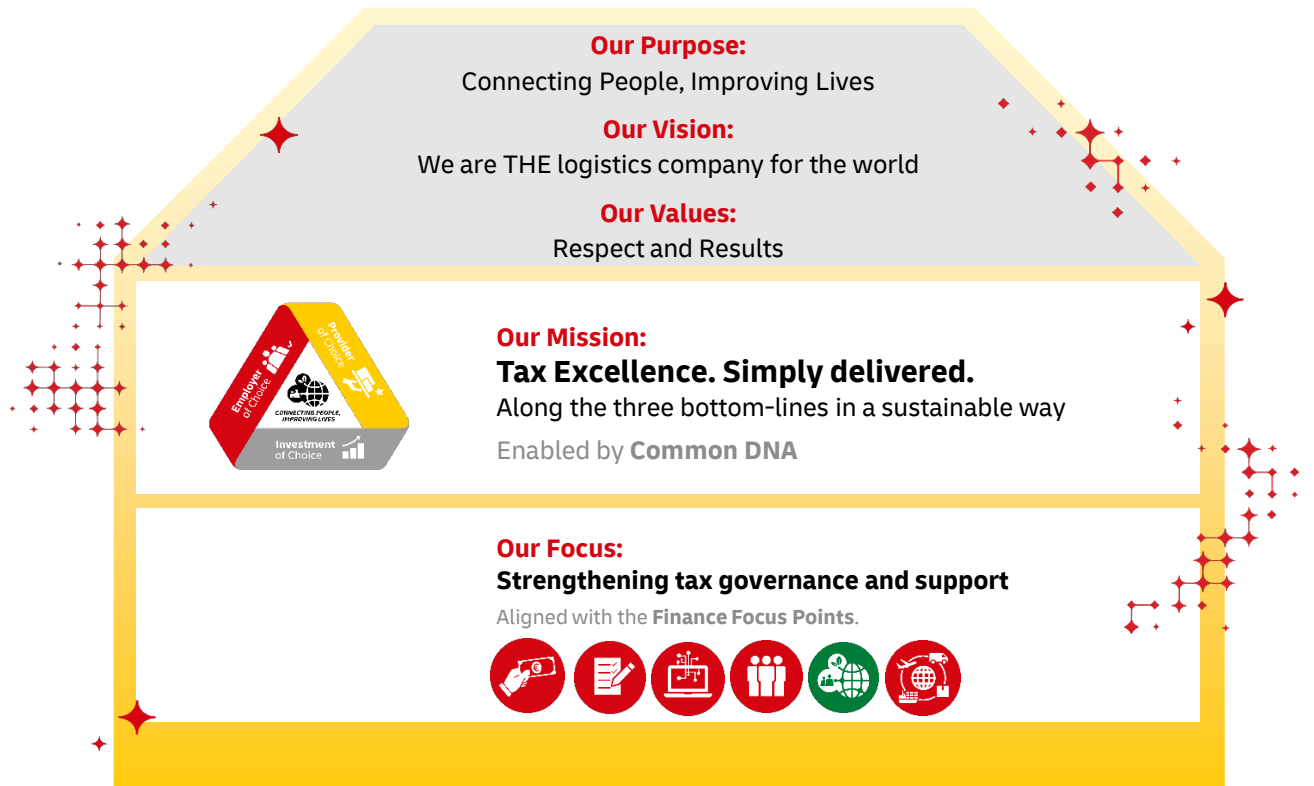
- The **purpose** of this document is to provide a basis for presenting our Group Tax Strategy to members of the DPDHL Tax community and interested stakeholders, both internal and external
- The Group Tax strategy is derived from the Group Strategy 2025 and the Group Finance Strategy 2025 (FINANCE25)
- Our Tax Strategy defines our **strategic goals** and **objectives** and guides us how we as a group deal with tax-related aspects and challenges all around the world



DPDHL Group Strategy and Group Finance Strategy 2025 set the strategic framework for the definition of the DPDHL Group Tax Strategy 2025



The key elements are captured in the “Tax Strategy House”





...how do the Group's Purpose, Vision and Values translate to Tax?



PURPOSE

We act as a strategic corporate partner for DPDHL in order to ensure tax compliance of the organization by connecting our tax experts around the globe, allowing us to provide excellent tax support & tax governance.



VISION

We are the best tax experts for our group, meaning we leverage on our understanding of DPDHL's business and therefore are able to provide pro-active and tailor-made tax support.



VALUES

We work with members of the tax department and our stakeholders in a respectful, results-oriented, straightforward and pragmatic manner.

Our Mission: Tax Excellence. Simply delivered.



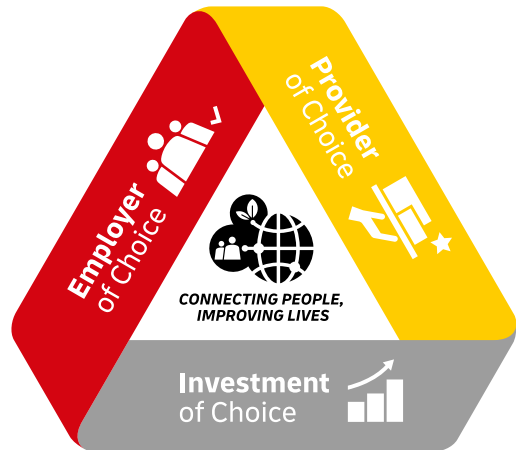
Our mission is to deliver excellent tax support and exercise our tax governance function as a reliable partner to the business.

We do so in a simple, easily understandable and result-oriented way, closing the gap between complex tax law and business need.



To live up to our Vision and Purpose, we follow our Mission

“Tax Excellence. Simply delivered.”




Employer of Choice

Know your people

Engaged employees bring passion and commitment to work and deliver exceptional quality


Provider of Choice
Know your customers

Exceptional quality delights our business partners and leads to loyalty








Investment of Choice
Know your numbers


Business partners' loyalty leads to increased appreciation and involvement of Tax





Business partners' increased appreciation will result in further improved employee engagement

Finance Focus Topics are set by the Finance Board and are applicable to Tax as being part of FINANCE

	Cash Is King	Ensure improved cash generation
	Keep The House In Order	Enhance group-wide ICS, compliance and risk management
	#FinanceGoingDigital	Leverage digital opportunities for greater effectiveness and efficiencies
	Sustainability Experts	Control and drive our ESG roadmap
	Best Finance Team	Develop a leading and diverse Finance organization
	Close To The Business	Support divisional improvement agendas





For the detailed Finance Focus Topics roadmap
 [click here](#) or [scan the QR code.](#)



**What do
these mean
for TAX?**

 **Deep dive
on next slides!**

Source: FINANCE25 Brochure

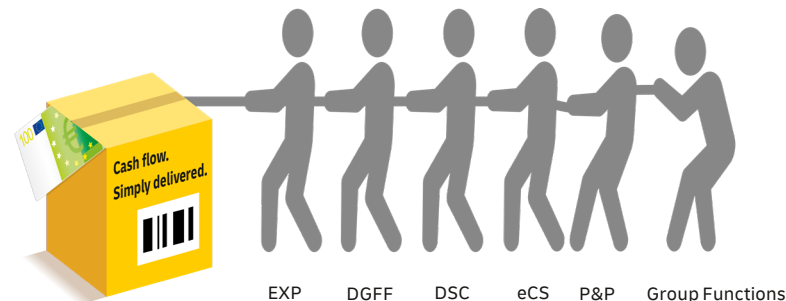


CASH IS KING

WHAT DOES THIS MEAN FOR US?



- We **pay our correct share of taxes** on a timely basis
- We make use of tax benefits where acceptable
- We cooperate with business units and group functions to support cash generation
- We ensure efficient budget and resources balance for all tax-related activities, actively performing cost-benefit analyses



**We have transparency and can reliably forecast the correct amount
and time of tax payments**



KEEP THE HOUSE IN ORDER

WHAT DOES THIS MEAN FOR US?



- We actively manage our competitive and targeted Effective Tax Rate with improved and accurate Effective Tax Rate forecast
- We take adequate measures within our tax compliance framework to **ensure that the Group is compliant with tax regulations and disclosure requirements** while at the same time offering viable solutions for the business
- We proactively identify, manage and control tax risks and opportunities based on Business Units' activities and seek to prevent unnecessary tax disputes and tax surprises
- We strive for Tax to be involved in important topics, tax relevant processes and transactions and clearly address respective tax risks as well as potential mitigation measures
- We proactively develop and offer tailored solutions to issues we identify



We fulfill our governance function to ensure tax compliance and protect our organization from legal and reputational risks



#FINANCEGOINGDIGITAL

WHAT DOES THIS MEAN FOR US?



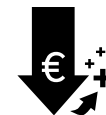
- We efficiently **improve tax compliance and transparency** by supporting the Finance ERP Strategy
- We meet stakeholders' requests for more detailed, timely and to-the-point information, ideally at the “push of a button” to enable better decision making
- We apply appropriate tax technology to further improve and streamline our tax processes
- We enhance our people's digital skillset
- By leveraging on digital means, we use resources in a dedicated and sustainable way



**Speed, quality
and usability**



**Business
insights**



**Cost
improvement
& extra value**



We use digitalization as a key lever to optimize our tax core capabilities



SUSTAINABILITY EXPERTS

WHAT DOES THIS MEAN FOR US?



- We ensure adherence to our tax strategy on a world-wide basis
- We **pay taxes where we do business** and where we create value
- We are a responsible tax payer
- Risk appetite - we do not enter into artificial tax structures
- We **follow the letter of the tax law** and its intended purpose
- We use the possibility to align with tax authorities and tax advisors to reduce uncertainty



ENVIRONMENTAL

climate change • emissions • waste • green products •
resource scarcity • climate risk disclosure •
energy consumption



SOCIAL

employee engagement • skills and training •
diversity and inclusion • human rights •
equal opportunity • health and safety management



GOVERNANCE

compliance • ethical behavior •
data privacy management • information security •
code of conduct • supplier management



**We act as an enabler for jurisdictions to achieve the
UN sustainable development goals**





BEST FINANCE TEAM

WHAT DOES THIS MEAN FOR US?



- We practice active leadership, giving feedback & guidance, **showing appreciation and embracing diversity without discrimination**
- Our communication is based on honesty and transparency, with the main goal of sharing knowledge and best practices across the tax community
- We ensure people development including upskilling, talent management, coaching and training, to develop and maintain our business capabilities as well as front-line leaders
- We hire tax experts, continue professional education and practice effective employee retention
- We **foster a “one team” mentality** and work together across divisions, departments, and different management levels



We leverage on our experienced, knowledgeable and professional worldwide tax network

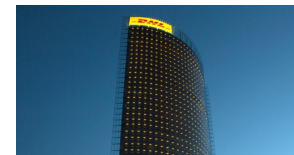
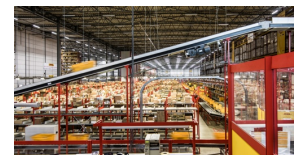


CLOSE TO THE BUSINESS

WHAT DOES THIS MEAN FOR US?









- We live up to our purpose of **delivering excellent tax support and providing governance** as a reliable partner to the business
- By knowing our company inside and out, we are able to provide clear, timely, relevant and business-tailored tax support
- We communicate effectively, clearly, pro-actively and regularly with colleagues and key stakeholders, thus ensuring our message is heard
- We think globally, but act locally
- We act as though it was our own company



We foster relationships and cooperation with Business Units

Group Tax Strategy 2025 – Target Aspiration

Finance Focus Topics 2025	What it means for TAX	Target Aspirations for 2025
 Cash Is King <p>Ensure improved cash generation</p>	<p>We have transparency and can reliably forecast the correct amount and time of tax payments</p>	<p>Continuously improve management and forecasting of ETR according to market communication</p>
 Keep The House In Order <p>Enhance group-wide ICS, compliance and risk management</p>	<p>We fulfill our governance function to ensure tax compliance and protect our organization from legal and reputational risks</p>	<p>Monitoring and continuous improvement of tax risk management and tax controls.</p>
 #Finance Going Digital <p>Leverage digital opportunities for greater effectiveness & efficiencies</p>	<p>We use digitalization as a key lever to optimize our tax core capabilities</p>	<p>Applying state of the art tax technology and using the capabilities of the new ERP landscape</p>
 Sustainability Experts <p>Control & drive our ESG roadmap</p>	<p>We act as an enabler for jurisdictions to achieve the UN sustainable development goals</p>	<p>Establish Tax as relevant contributor in ESG reporting</p>
 Best Finance Team <p>Develop a leading and diverse Finance organization</p>	<p>We leverage on our experienced, knowledgeable and professional worldwide tax network</p>	<p>Continued development of DPDHL tax experts</p>
 Close To The Business <p>Support divisional improvement agendas</p>	<p>We foster relationships and cooperation with Business Units</p>	<p>Drive cross (tax-) functional best practice sharing</p>

THANK YOU