

DHL Freight



DHL RAIL AB

Green Logistics - An opportunity for Rail



Rail to  
**success**



# OVERVIEW

- Deutsche Post DHL

- DHL Delphi Study

- DHL Go Green Program

- DHL Rail – Green Logistics

WE ARE ONE COMPANY WITH TWO STRONG PILLARS

## Deutsche Post DHL

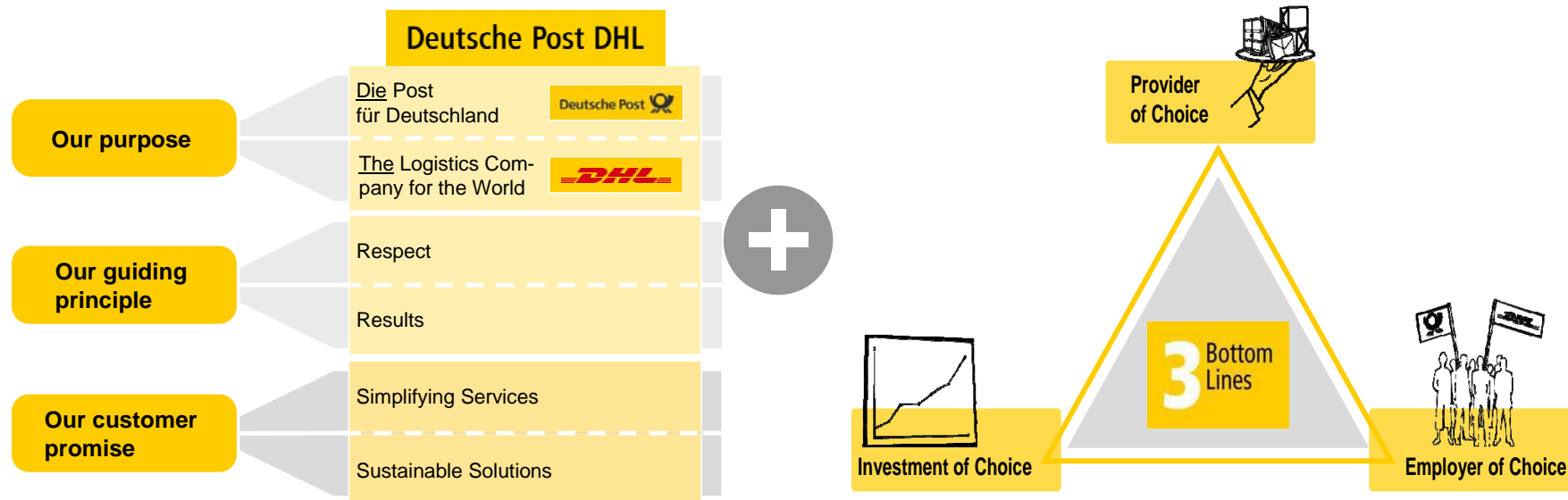
Deutsche Post 

Die Post  
für Deutschland



The Logistics Company  
for the World

# OUR NEW GROUP STRATEGY 2015 LAUNCHED



Strategy well perceived & seen as the right step to take

# GROUP STRUCTURE 2009

## Deutsche Post DHL

Revenue: 46.2 bn€

Underlying EBIT: 1.4 bn€

Deutsche Post

### MAIL

- Delivers 72 million mail items to 40 million households in Germany
- DHL Global Mail largest network for mail distribution worldwide

Revenue: 13.6 bn€

Employees: 180,000

### EXPRESS

- Cross-border express service
- Presence in 220 countries and territories
- 6,500 branches
- 4.2 million customers

Revenue: 10.3 bn€

Employees: 100,000

### GLOBAL FORWARDING, FREIGHT

- Air freight
- Ocean freight
- Road freight
- Rail activities
- 3,000 locations
- Strong customer base (>50% of Forbes 500)

Revenue: 10.8 bn€

Employees: 40,000

### SUPPLY CHAIN

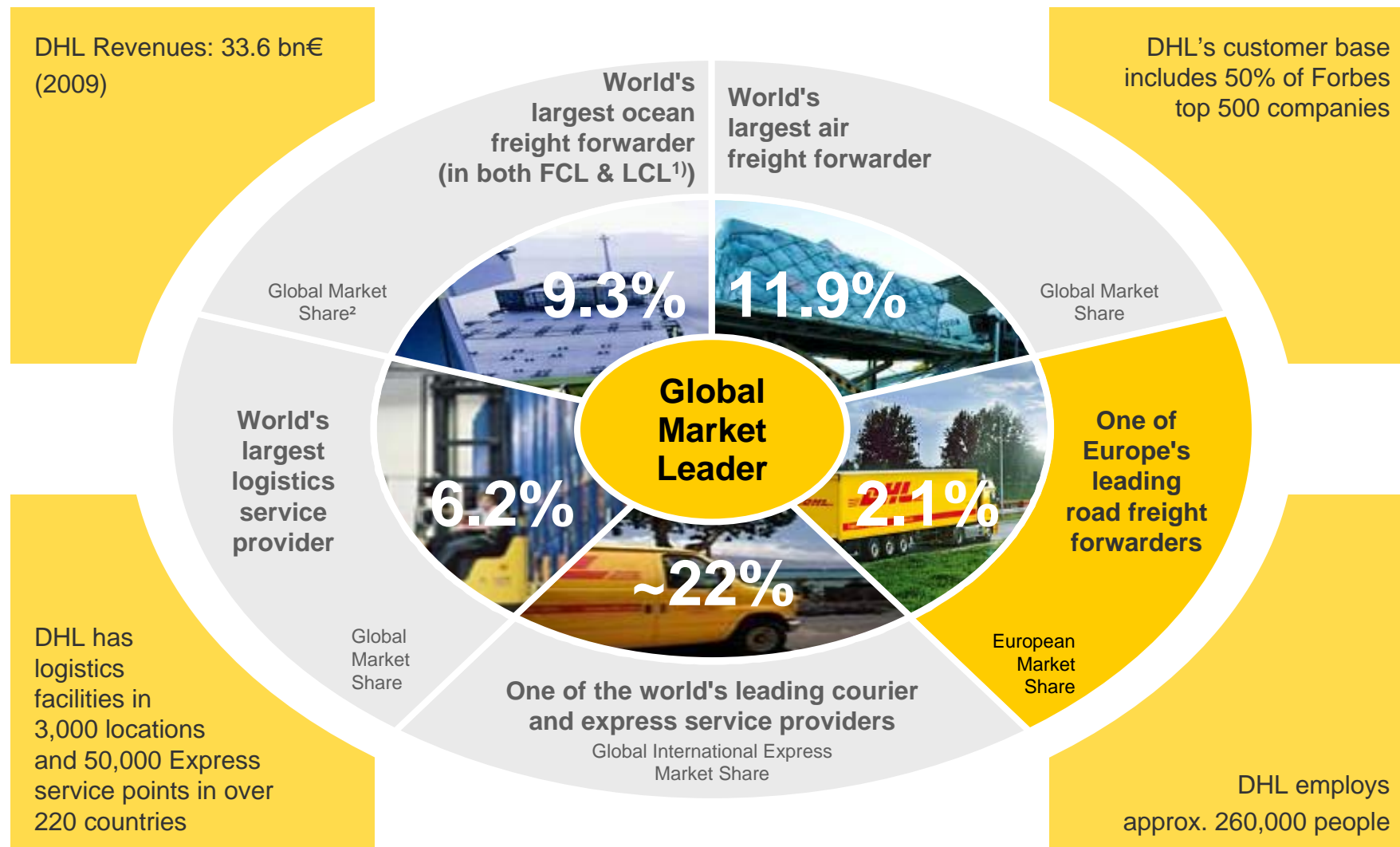
- Contract logistics
- 3.5 million m<sup>2</sup> managed warehouse space
- Leading provider of Corporate Information Solutions worldwide
- Strong customer base (50% of Forbes 500)

Revenue: 12.5 bn€

FTE: 120,000

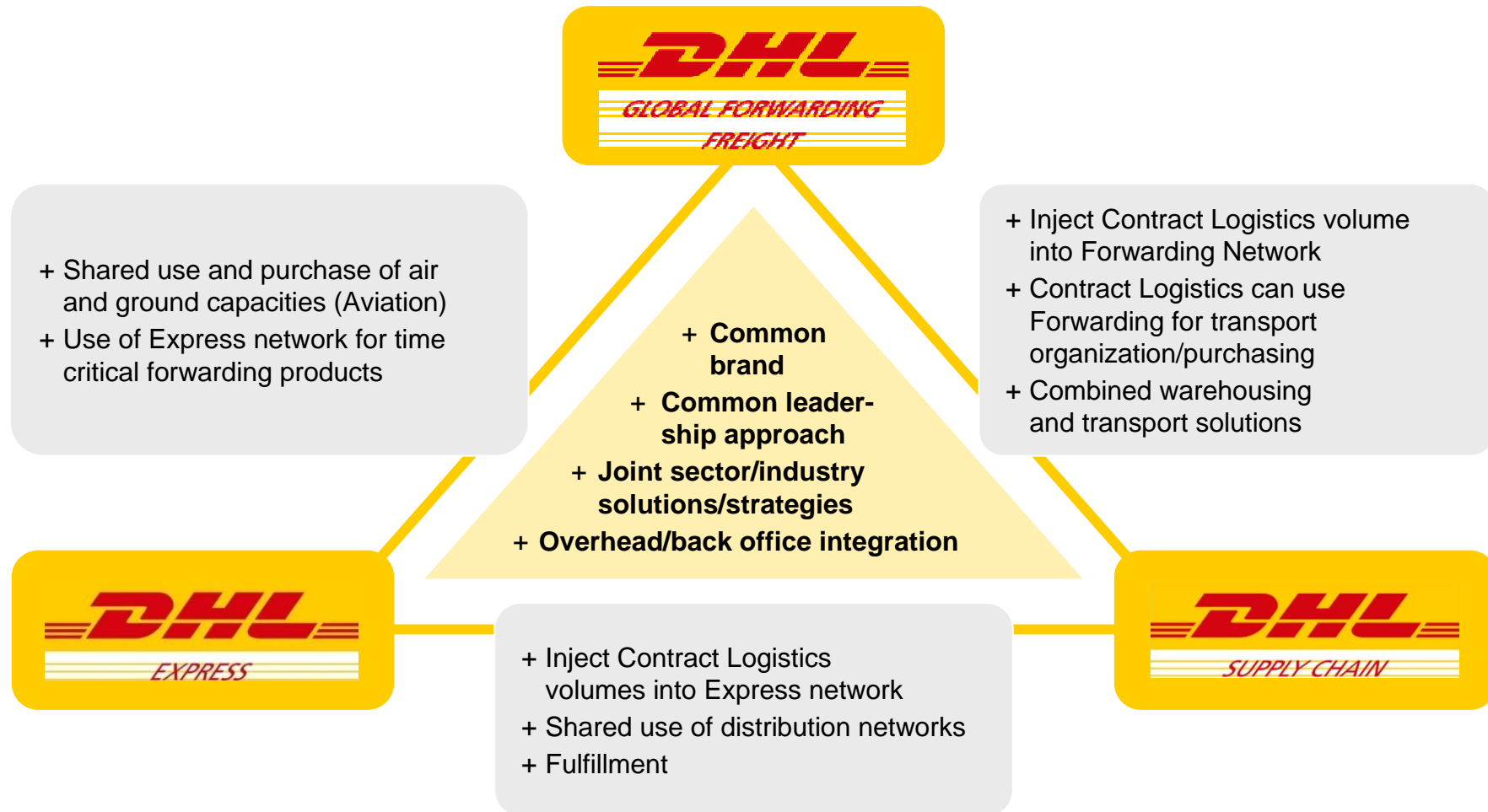
Note: Reported Financial Figures as per 2009 (Source: Media Mail 2010); Employees numbers are approximated

# DHL: RETHINKING LOGISTICS IN THE 21<sup>ST</sup> CENTURY



1) Full-container load; Less-than-container load ; 2) All Market Share Data as per 2007 (Source: Annual Report 2008)

# DHL COMBINES STRONG BUSINESS UNITS AND VALUE THROUGH COLLABORATION



## SUCCESSFUL INITIATIVES

**FIRST CHOICE**  
For our customers. Worldwide.

Joint platform for change as regular part of the organization

Employee focus to monitor our potentials for improvements



 **ROADMAP TO VALUE**

Continuous, tight cash management

Concrete CO<sub>2</sub> reduction target for the Group

**GOGREEN**



## Customer Needs in 2020 and Beyond

A Global Delphi Study.

## DELIVERING TOMORROW – WHAT LIES BEHIND?

- A Delphi study is a sociological instrument designed to establish reliable prognoses about the future.
- The Deutsche Post DHL Delphi study “Delivering Tomorrow: Customer Needs in 2020 and Beyond” focuses on future developments and asks:
  - What will the world look like in ten year’s time and beyond?
  - What will our customers expect from us?
  - What will a logistics company need to do to ensure that it can live up to these customer requirements?
- The study pursues a global and holistic approach; in other words, it takes political, economic and technological developments into account.
- The study’s results have an impact on Deutsche Post DHL’s future-oriented mindset and will influence the new Group strategy.

## I. GLOBAL DEVELOPMENT- ECONOMY IS GROWING

1. Climate change will become the big issue and unleash a “green” revolution of products and services – sustainable energy production is on the threshold of a breakthrough.
2. The economic gap will grow larger worldwide – the potential for social conflicts will increase, and could lead to increased expenditures on security.
3. China will be the undisputed winner of economic growth and join the ranks of the world’s technological leaders.



## II. CUSTOMER EXPECTATIONS – NEW NEED & BEHAVIOUR

4. The Internet will transform customer expectations and behavior all over the world – the focus will be on individualization, transparency, availability, and speed.
5. Eco-friendly and conscientious consumption will determine purchasing behavior to an increasing degree.
6. Convenience, comfort and simplicity will be the central requirements.
7. Person-to-person communication will remain a priority.



### III. ALTERED LOGISTICS - NEW MODEL

8. The logistics industry will become a trendsetter and establish new standards for cooperative efforts and “green” business.
9. Offshoring and outsourcing will create new possibilities – the value chain will expand in all directions for services relating to logistics.
10. Logistics providers will increasingly develop into consulting companies; their complementary services will offer added value.



## CONCLUSIONS

- Thanks to the Delphi study, we can gauge how the requirements of our customers are likely to evolve over the coming years.
- Between now and 2020, the logistics sector needs to react to a number of different developments:
  - The growing importance of green products
  - A greater necessity for intercompany cooperation
  - Increasing customer demands for speed, convenience, and service
- Deutsche Post DHL is already an innovation leader in the logistics sector and, with initiatives like GoGreen, is already offering a range of products for tomorrow today. But to stay ahead in the long term, we need to constantly update our portfolio.
- As a customer, you also profit directly from the Delphi study: we will be using its findings to help us develop even better products and services for our customers.

# DELPHI-STUDY SHOWS TRENDS AND CUSTOMER EXPECTATIONS IN 2020 AND BEYOND



## 3 out of 10 global trends show: The future belongs to companies, meeting the challenge of climate change

### THE WORLD ECONOMY GROWS



1. Climate change will become the big issue and unleash a “green” revolution of products and services – sustainable energy production is on the threshold of a breakthrough.

### NEW CUSTOMER EXPECTATIONS



5. Eco-friendly and conscientious consumption will determine purchasing behavior to an increasing degree.

### LOGISTICS – THE NEW MODEL INDUSTRY



8. The logistics industry will become a trendsetter and establish new standards for cooperative efforts and “green” business.

# DEUTSCHE POST DHL IN NUMBERS

**We are a leading logistics company with worldwide presence**

**We have** a truly global operation, with locations in

**200**

different countries

**We touch** approximately

**50%**

of the total volume through our network and infrastructure

With our fleet of 120,000 vehicles, 319 airplanes and facilities in 220 countries and regions we do have a yearly consumption<sup>1</sup> of:

**67 Mio. l.** gasoline

**562 Mio. l.** diesel

**1,531 Mio. l.** kerosene

**4,172 Mio. kWh** energy consumption

**We employ** more than

**440,000**

employees, and are one of the top ten biggest employers worldwide

more than

**1 million**

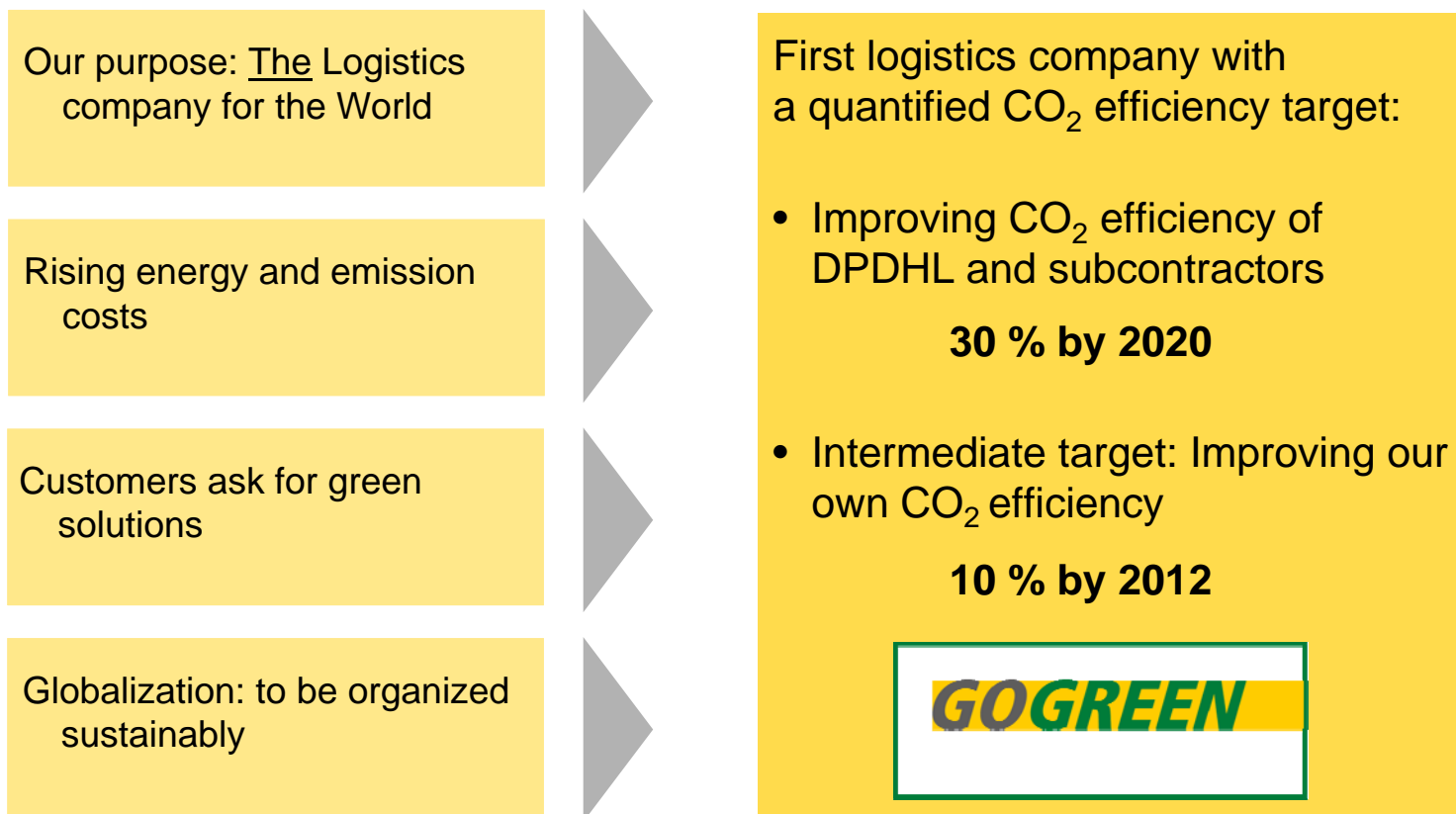
customer interactions every hour

<sup>1</sup> status 2008, of scope 1 & 2 as defined in Greenhouse Gas Protocol



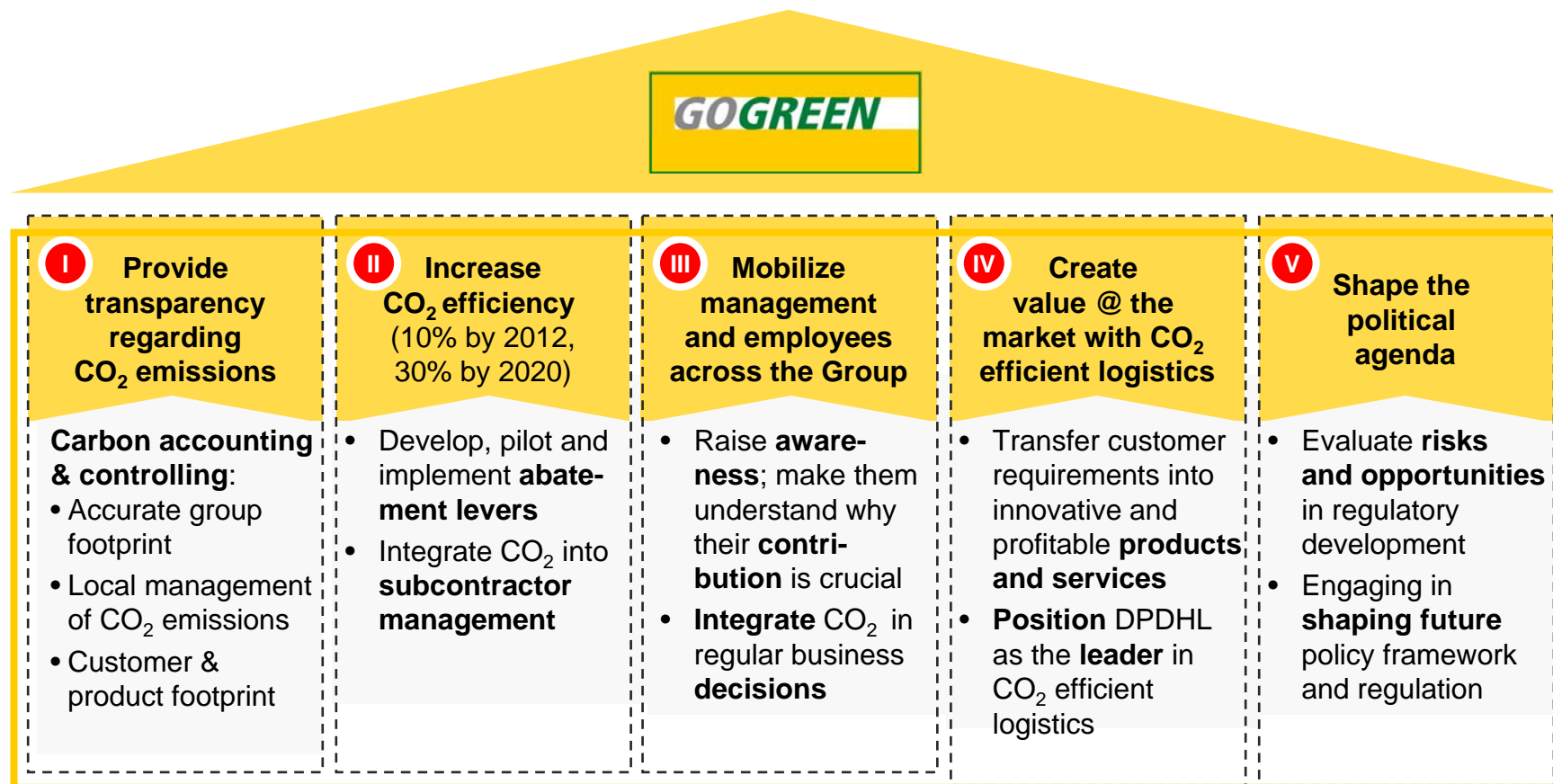
## RATIONALE FOR GOING GREEN

On the way to a low-carbon economy DPDHL is part of the solution



# OUR GREEN HOUSE

Leveraging the potential of DPDHL, GoGreen improves CO<sub>2</sub> efficiency and sets leading-edge standards in green logistics



## CHALLENGE TRANSPARENCY

The implementation of a Carbon Accounting & Controlling System provides transparency regarding our CO<sub>2</sub> emissions

### Carbon Accounting & Controlling:

- + Assure a Group-wide consistent reporting of CO<sub>2</sub> data – with the potential for industry-wide standards
- + CO<sub>2</sub> transparency on the relevant management level – enables identification of CO<sub>2</sub> reduction potentials and performance measurement
- + Data accuracy through automatic capture
- + Integration of Carbon Accounting into Financial Accounting & Controlling

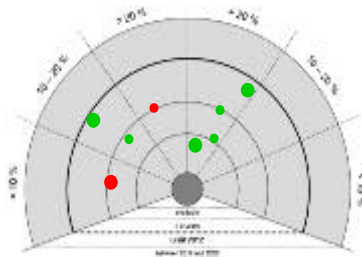


# LEVERS TO INCREASE CO<sub>2</sub> EFFICIENCY

We are improving our carbon efficiency with abatement levers in the areas of vehicles, real estate and network

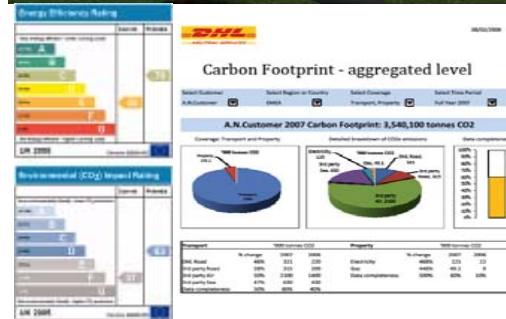
## Vehicles

- Bio fuel technologies
- Hybrid Trucks
- Electric vehicles
- Teardrop trailer
- Trailers (for Rail)
- Environmental friendly company cars



## Real Estate

- Innovative energy concept
- Efficient lighting and heating systems
- Photovoltaic, solar panels, change of energy mix, etc.

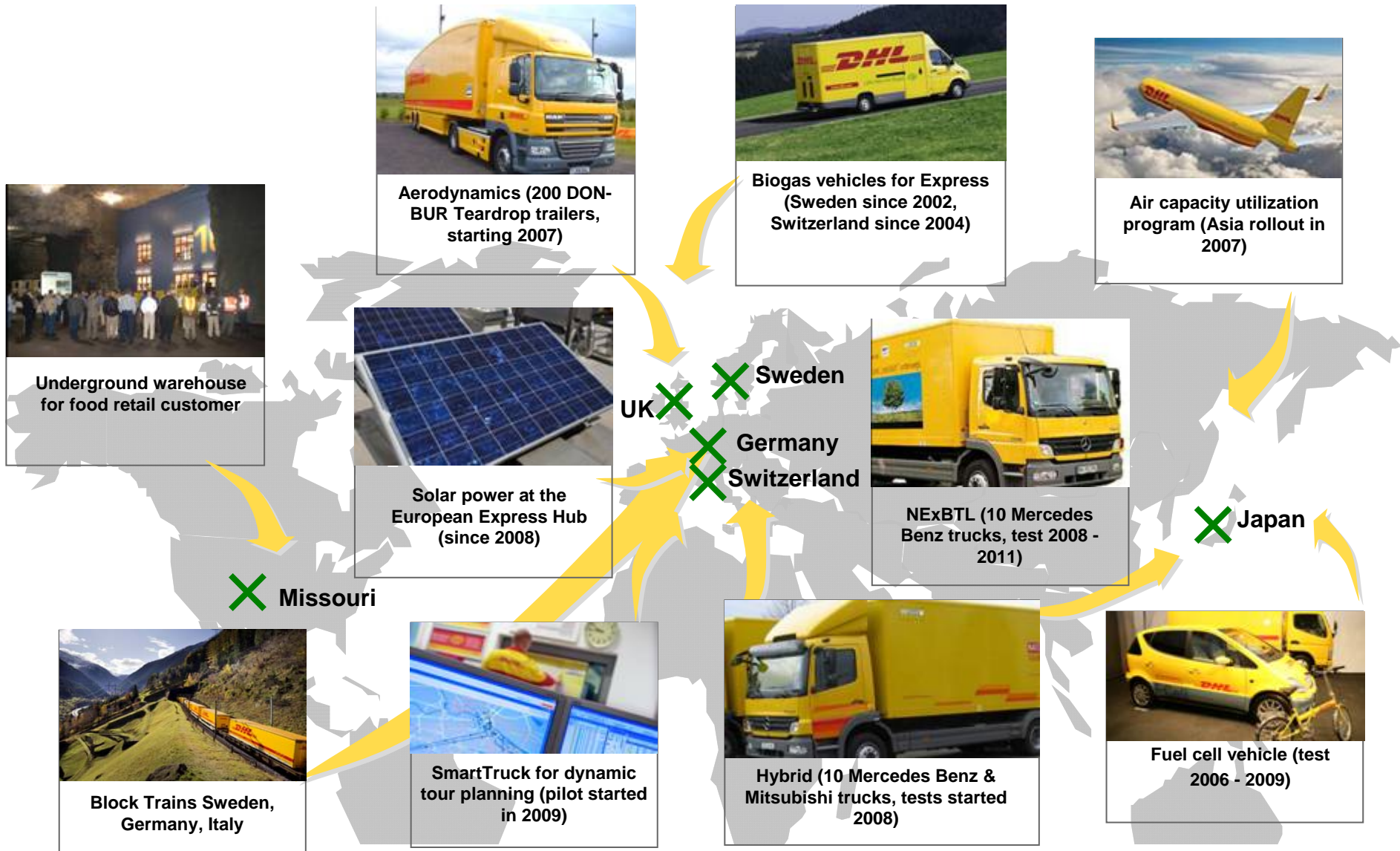


## Network

- Network & route optimization
- Modal shift, e.g. air to road, road to rail etc.
- Load factor/ capacity optimization
- Supplier Management
- Consolidation points such as Packstation
- Consolidation Centers for city logistics

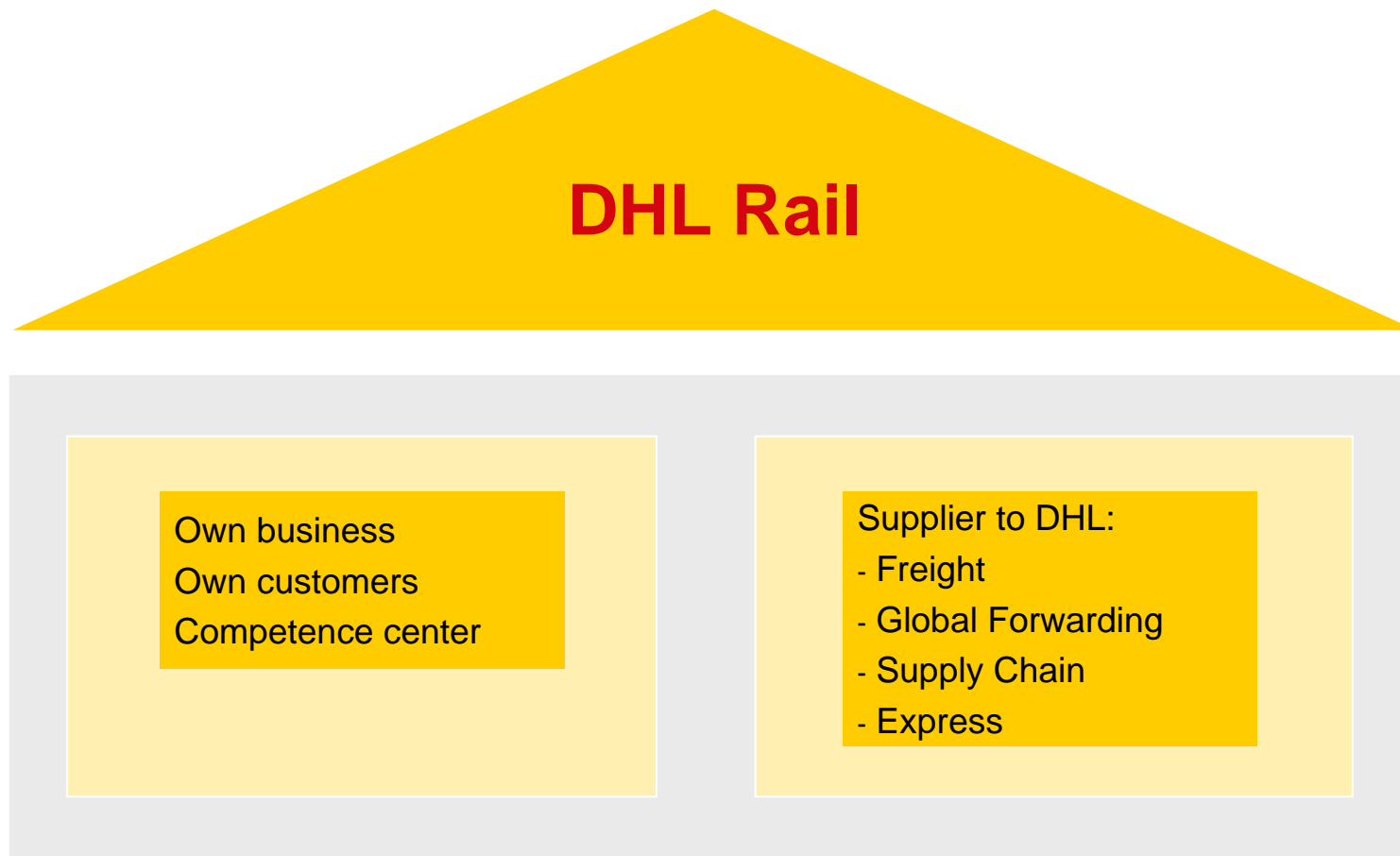


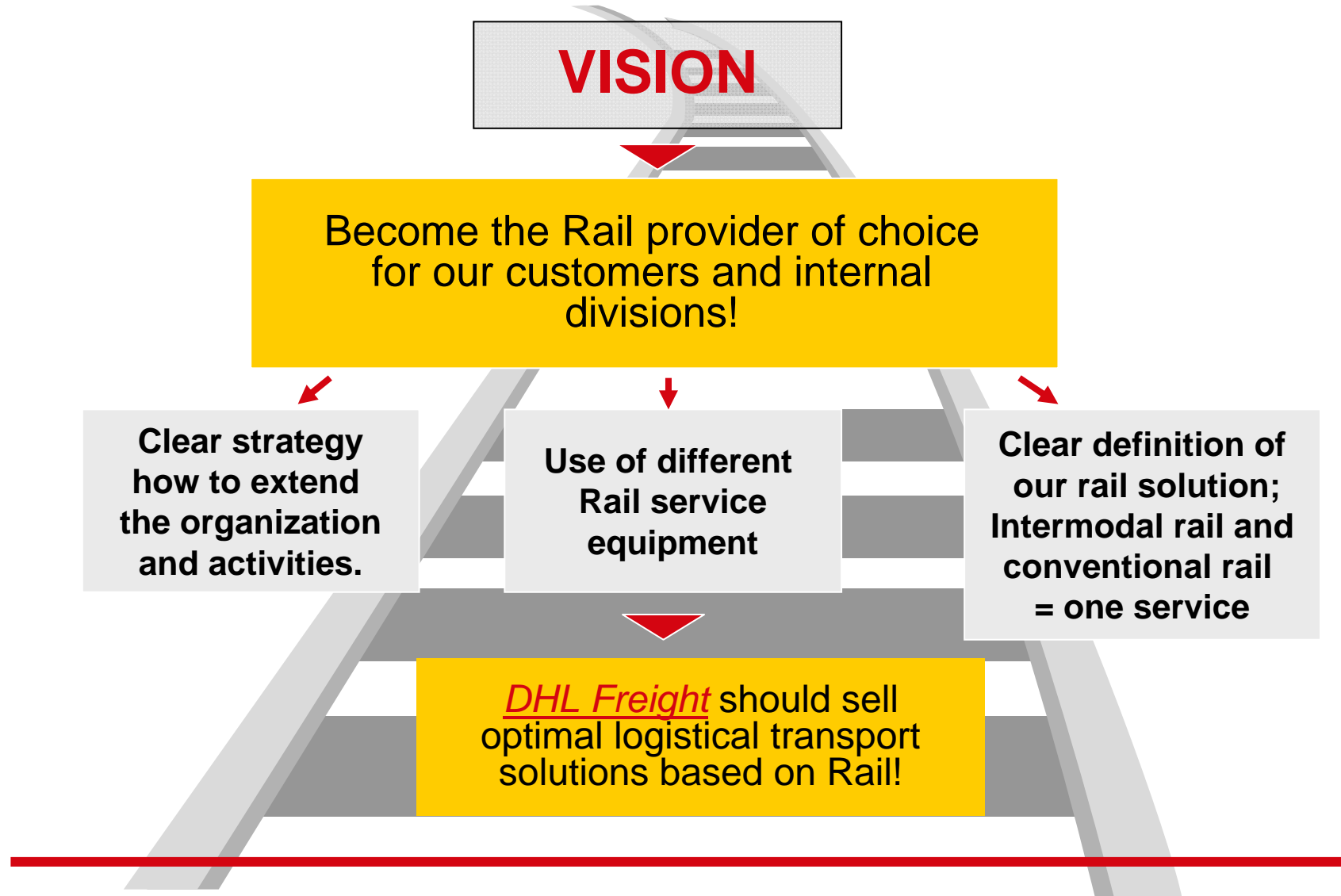
# INCREASING FLEET AND BUILDING EFFICIENCY – GOING GREEN WORLD-WIDE



## DHL RAIL - TWO STRONG PILLARS

**We are one company with two roles under one roof**





# Rail Road Map

## Strategy

Create tailored and innovative solutions based on rail!  
 Use a mix of rail service equipment (conventional wagons, trailers, containers, swap bodies) and get the best result!

What	Actions	How
re		sell environmental friendly logistics
lo		it
re p		
g		
common business internally	promoting their own means of production, i.e. rail	meet common customers and seek for new volumes within existing customers



## RAIL TRADE LANES – BLOCK TRAINS

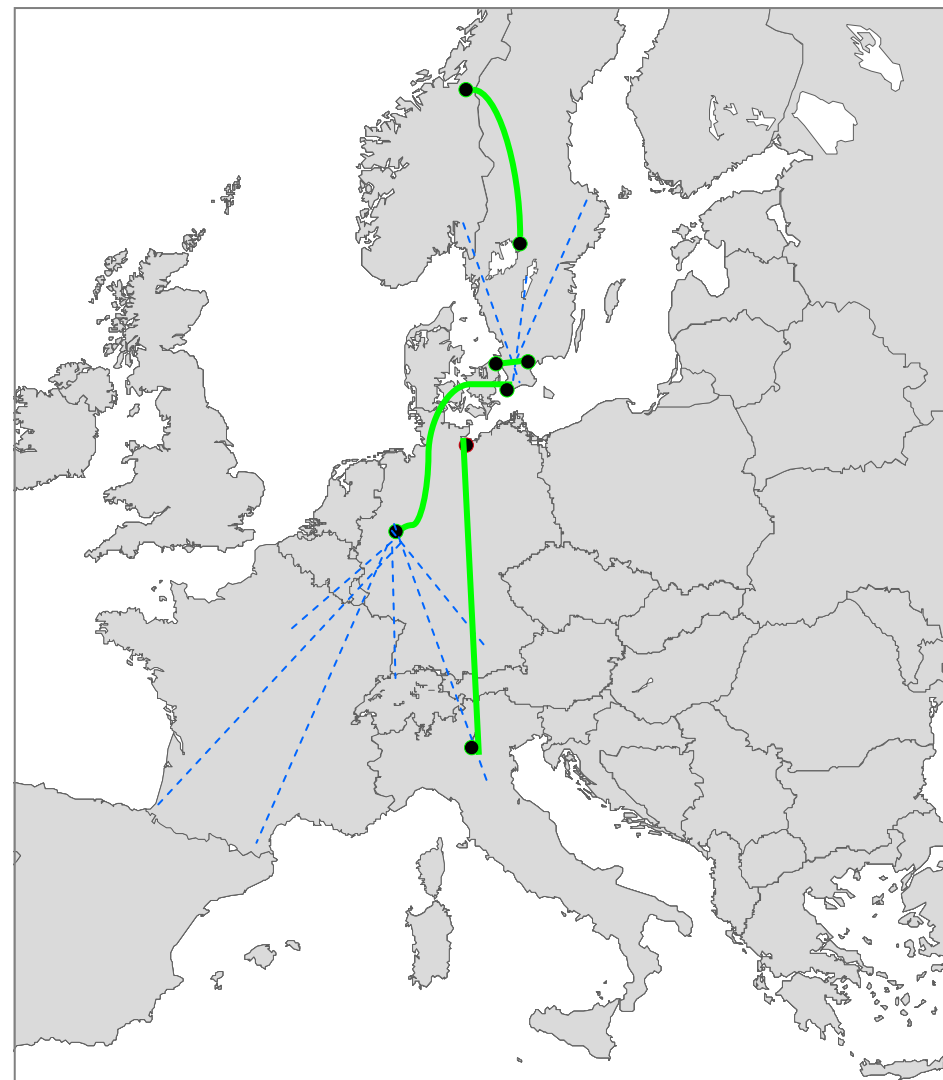
### Flows:

#### Volumes Sweden to/from Western Europe, examples

- Block train Hub Malmö to Hub Duisburg and vv
- Block train Hub Trave to Hub Verona and vv
- Block train Kristinehamn to Ranheim
- Block train Klippan to Helsingborg

### Type of equipment:

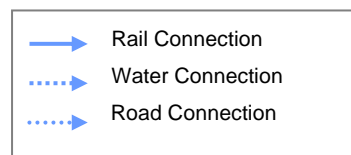
- Semitrailer 13,60 mtr
- Megatrailer 13,60 mtr
- Conventional wagons
- Containers
- Swap Bodies



# FUTURE TRADE LANES – BLOCK TRAINS

## Main developments:

- Central Europe > Iberia
- CZ / Poland / Romania
- Nordics
- Russia / China (TSR)
- Scandinavia > Iberia



# Thank you for your attention!



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