



Annual General Meeting Deutsche Post DHL Group

Speech by Dr. Frank Appel, CEO
Frankfurt am Main, May 18, 2016

Check against delivery



Dr. Frank Appel
CEO
Deutsche Post DHL Group

Shareholders,
Ladies and Gentlemen,

Allow me to welcome you all to Frankfurt, and wish a very good morning to all of you following proceedings online.

I would like to begin by thanking you all for the confidence you have shown in Deutsche Post DHL Group. The past year was by no means an easy one for us. We were prompted to adjust our earnings forecast for 2015 on two occasions. But we achieved our targets. And that is what counts. We got the job done. Because we would not be deterred. Because you believed in us and we worked hard. Because rather than focusing on the Now, we focused on Tomorrow. And we will continue to do so in the future. Of this you can rest assured.

2015 was not an easy year.

A great deal happened last year. The world changed. Development varied widely in the individual regions. Brazil and Russia are in the midst of a recession whilst the euro zone is being tested to its limits. All the while, however, Asia remains dynamic but here, too, the market is changing. China, for example, is redefining its role. No longer the workbench of the world, it is increasingly focusing on burgeoning domestic consumption and services. China will continue to grow but we can no longer expect figures of 7% and above.

So what does this mean for us as a company? We are observing events from a position of strength. Thanks to our global network, our growth is not dependent on one region alone. Lower growth in one part of the world can be offset by growth elsewhere. This is just one of the many advantages of being a global company.

This having been said, 2015 was not an easy year for us. It was a year of transition – a fact that we emphasized time and again. We have broken new ground in many areas – as a matter of necessity. One thing was clear: Resetting our course would impact earnings in the first instance. Equally obvious was that certain changes would not make for immediate plain sailing – correcting our course and developing new structures for delivery are certainly among these.

The entire Board of Management is committed to the long-term prosperity of the company. To this end, we must accept the necessity of difficult transitions. Only this will ensure our ultimate success. 2015 was no different.

52-day postal strike

Here in Germany, 2015 was the year of the strike. Deutsche Bahn, Lufthansa and kindergartens across the country were all affected by strike action. And between April and the start of July, Deutsche Post took its turn.

A postal strike of 52 days represented exceptional circumstances both for you and for us. They were 52 days too many. In 2015 we experienced the most testing wage dispute in our history, the impact of which was felt by each and every one of us in the company. On some days, around 30,000 of our employees downed tools – but 100,000 did not.

Our colleagues on site worked around the clock, giving their all to keep the wheels turning. And for this, once again, I thank them all. But it goes without saying that not everything ran as seamlessly as usual. Operations fell short of our quality standards and for this we apologize. And, of course, the negative impact of the strike could be seen in our results. The strike incurred one-time effects strongly in excess of EUR100 million.

So what was it all about? We founded 49 regional delivery companies under the umbrella of DHL Delivery. But ver.di was opposed to these new companies. The model provides us with the latitude for what are still very good, and significantly more competitive wages. It was for this reason we held our position so resolutely. These companies will allow us to create over 10,000 new jobs in Germany by 2020. By 2025, this figure could reach 20,000. Indeed, DHL Delivery currently provides permanent employment for 9,000 colleagues. Following intensive negotiations, Deutsche Post and ver.di were able to reach a sustainable agreement at the start of July 2015, an agreement which offers our employees not only security but prospects for the longer term. At the same time, in DHL Delivery, we have retained the flexibility we need for future growth.

New strategic direction for DHL Global Forwarding, Freight

International air and ocean freight is and will remain integral to our company. As passionate freight forwarders, our market presence stretches back for more than 200 years. But we also see opportunities for further growth in the future.

Modern IT is becoming increasingly vital to successful air and ocean freight. With this in mind, we have broken out into entirely new directions over the past few years. However in October 2015, we realized that, having not yielded the results we had hoped for, we had to change our new course. The consequence: The bulk of the investment was written off.

But our objective remains unchanged. Our customers want us to provide fast and reliable first-class service. To realize this we need an IT landscape that is perfectly tailored to our business and our customers. However, when it came to implementation, we overextended ourselves. We changed our IT. We changed our organization. We changed our processes. And we now know that we asked too much of everyone. Our revised path involves the gradual replacement, further development or global use of existing systems. Here, we are largely relying on IT solutions that are proven within our sector. We may be changing our approach but the objective remains the same. We are further developing our IT landscape and increasing productivity, which will, in turn, ensure our future success.

Our new path unfortunately went hand in hand with substantial one-off charges of which you were informed in October 2015. Corrective action of such proportions does not go unfelt. But it is at times necessary. As pioneers in logistics, we are often the first to brave new courses – where the risk of error is present. But permitting that to be a reason not to try new things? That would be a mistake.

Our freight forwarders have set out on their new course and are relishing the challenge. And the first signs of success are there to be seen. Following three difficult years, Q4 2015 heralded a turnaround. After the deduction of write-downs, the results were considerably better. This reversal in trend was also evident in the first quarter of 2016. The freight forwarding market remains challenging but I am optimistic about the future. In this context I am very pleased that Tim Scharwath will become a Member of our Board of Management within the next twelve months. He comes with an impressive freight forwarding track record. In my view he is ideally placed to further develop our forwarding business.

Share performance reflects a year of transition

The various uncertainties and changes in course in the previous year were also reflected in the performance of our shares. Deutsche Post shares closed at EUR 25.96, down 4.0 percent year-on-year, thus underperforming the DAX which was up 9.6 percent in 2015.

Long-term trend: Strategy 2015 a success

Our Group is not being managed at sight: We have a long-term roadmap. From March 2009, our Strategy 2015 fulfilled this role: And it is a strategy that we have implemented to great success. Each year the results have improved. Looking back over the past few years, Deutsche Post shares have performed considerably better than the DAX, showing us that we are indeed on the right course.

Course set – Adjusted targets achieved

Over the past year, we set new courses in various areas and took steps to change our business. 2015 was a year of transition. We worked hard and can now really leverage further growth potential. Our successful start to the year confirms this course.

Adjusted financial target for 2015 achieved

Now let's take a look at the results for 2015. The non-recurring effects in the past year made themselves felt in the operating profit. We lowered our earnings forecast, which was unpleasant but unavoidable. Ultimately, we did deliver and achieve our target. In 2015 our revenue increased by 4.6 percent to EUR 59.2 billion: Express and contract logistics made a particular contribution to this success. In spite of the strike, Post – eCommerce – Parcel was nonetheless able to increase revenue by around 3 percent. At 18.7 percent Group profit from operating activities (EBIT) did fall below prior-year levels. This decrease is attributable to the described one-time effects and investments in the reorientation of the Forwarding business. Only a look at the last half year illustrates the current shape of the company.

Let's take a look at the results for the fourth quarter of 2015. By Q4, the strike and major decisions on the IT renewal were behind us. We recorded a strong end-of-year result. Indeed, at EUR 957 million, we have achieved the best quarterly result in our company's history in its current structure ever. The result was 5.7 percent up on the same quarter of the prior year, which means we have achieved our targets for 2015 – not only for the Group but for all the divisions.

Our agenda for 2015 has been implemented. In 2015 we had a free cash flow of EUR 1.7 billion – a significant improvement on the prior year. On behalf of the Board of Management, I would like to thank the entire company. It has by no means been easy – but we have succeeded.

Dividend performance

We would like to propose a dividend of EUR 0.85 per share for 2015. Our dividends have increased over the course of the year and you never failed to play a significant role in our success. We would like to distribute 46 percent of our net profit to our shareholders for 2015.

This is in line with our financial strategy which envisages a payout ratio of 40 to 60 percent. Should you agree to our proposal, this year's payout would be equivalent to EUR 1.03 billion.

Deutsche Post DHL Group is a financially strong company. Since 2011, we have invested around EUR 9 billion in our business. Over the same period, we have paid out almost EUR 5 billion in dividends; a sum equating to around 15 percent of our current market value. We are both a successful company and a highly attractive investment – an opinion which is shared by the ratings agencies Moody's and Fitch. And a source of pride for us.

Since March 2016, we have been deploying a further aspect of our financial strategy for the first time: the share buyback program. It is the strength of our balance sheet and cash flow that make this step possible. The program represents a total package of up to EUR 1 billion. The benefit for you is that the profit per share increases. The program which has already been launched will allow us to give excess liquidity back to the shareholders. Just as we promised.

A good start to the year

Today, I would like to confirm our EBIT guidance of EUR 3.4 to 3.7 billion for this year – a figure I am more than confident we will achieve. The postal strike and reorientation of Forwarding are now behind us. We are continuing to target organic growth and anticipate only carefully selected acquisitions.

The first quarter of 2016 went well for us. Operating earnings grew by more than 21 percent year-on-year to EUR 873 million in the first three months of the year. All divisions witnessed improvements in the first quarter.

Although Group revenue fell by 6.1 percent to EUR 13.9 billion, this can be attributed to one-time effects including unfavorable exchange rates, lower fuel surcharges and a change in revenue reporting by a major customer. Excluding these effects, revenue in the first quarter grew by 1.4 percent compared with the previous year.

Our efforts in the past year have paid off as the first quarter of 2016 has yielded the second record quarter in a row.

Our course is set for success

Our company operates in a highly attractive sector. Logistics connects people and improves their lives. Deutsche Post DHL Group is the undisputed leader in almost all areas of logistics. This is a position we aim to maintain in future – and we are set for success.

Winner of 2015 parcel delivery test

Germany is the largest postal market in Europe – making us the largest postal service on our continent. Last year we delivered around 61 million letters and around 3.9 million parcels every business day. We are the postal service for Germany. The *Deutsche Institut für Service-Qualität* tested five parcel services in Germany in November last year. The study, commissioned by n-tv, found one clear winner: DHL.

Our combination of quality service and affordable prices won out in the test. Our clear and informative website also scores points. But most importantly, DHL delivers faster than the sector average.

Customer satisfaction significantly improved

Customers are discerning. And rightly so. All the more so when it comes to large customers with complex supply chains, where customer and service provider processes must fit together seamlessly. Just a few weeks ago, our top DHL customers gave us encouraging feedback in an online survey. Our service was evaluated as better than in the previous year in all the important areas. This applied not only to customer support but also to the implementation of new processes. Even allowing for improvement – we're on the right course.

DHL brand value more than doubled since 2012

Deutsche Post and DHL are strong brands. Indeed, Deutsche Post is one of the Top 30 brands in Germany whilst DHL ranks among the Top 100 worldwide, and has seen its brand value double since 2012.

We are the respected partners of numerous major organizations. And this year, we are celebrating ten years of partnership with the United Nations – united in our common goal of providing rapid relief in the wake of natural disasters as well as thorough preparation for such emergencies. To make this a reality, we train personnel at airports and provide assistance when disaster strikes. When it's a matter of life and death – time is of the essence. Our employees are happy to help and take pride in their contribution as volunteers.

Responsibility is part of our daily work. We are regularly listed in the prestigious Dow Jones Sustainability Indices. In November 2015, the CDP Climate Score awarded us the highest possible score of 100 A for the transparency of our reporting and our contribution to climate protection.

DHL certified as Top Employer Global 2016

In February of this year, DHL Express was honored as a Top Global Employer by the Top Employers Institute which certifies companies for their HR work each year. DHL is one of just eight companies awarded the highest rating, and the only company to be Top Employer on all continents – in a total of 43 countries. Good service is closely correlated with an attractive corporate culture and HR activities – both of which are essential components of our Strategy 2020.

Strategy 2020

Strategy 2020 is our roadmap. It is based on three basic premises. Firstly: We operate in a highly attractive industry. Secondly: Quality is essential to the long-term survival of any company. We aim to be the quality leader in our sector. Thirdly: We are extremely well-positioned in the market. Our growth is organic and based on a solid foundation. No competitor can offer a comparable infrastructure.

Every customer is important to us – but we are dependent on no one customer. We invest in quality and service: This is the best response to a changing market.

Highly efficient parcel network in Germany

We transported and delivered more than 1.1 billion parcels in Germany in 2015 – an increase of 8.7 percent on the prior year. We have significantly increased our sorting capacity since 2010 when we processed around 640,000 parcels every hour. Today this figure has broken the million mark. This is processing on a gigantic scale. And here, size really does mean quality. Delivering quality is evident to each and every customer. Order it today and you'll have it tomorrow.

Preferred-time parcel delivery – now during the day

Since 2014 we have been giving customers in more than 50 cities across Germany the option of choosing when in the evening they'd like to have their items delivered. We're now expanding that service to the daytime hours, making DHL the only parcel company in Germany to offer preferred-time deliveries all day long and into the evening.

Online shoppers can tell us when they'd like to have their orders delivered during the checkout process by selecting a two-hour window between 10:00 AM and 9:00 PM. This new and ultra-flexible delivery service is already available in Berlin, Munich, Cologne, Hamburg and the Ruhr region. By the end of the year, up to 30 million households will have the option of receiving their parcels in the time slot of their choice. No other parcel services provider in Germany offers a comparable range of services with this kind of scope. The preferred-time option can also be applied to same-day deliveries. E-commerce is all about flexibility. We offer the necessary platform.

Growth market e-commerce (DHL Parcel network in Europe)

We deliver high quality – and not just in Germany. Over the past two years we've been steadily expanding our DHL Parcel network in Europe. We now operate in 16 different countries as a result. Why is that important?

Because Europe is a key growth market for e-commerce. And we act as enablers, making sure online trade functions as smoothly as possible. Our parcel shops and Packstations make it easy to send and receive packages. It costs money to set up parcel network. This is true. But the investment will pay off in the end – for us and for our customers.

Growth market e-commerce (e-commerce in India and Thailand)

We do not only operate e-commerce logistics in Europe. The same goes for other regions as well, such as the Americas and Asia. As in Europe, in most cases we do not have to start from scratch – we combine existing elements with new ones to create strong networks. Take India, for example, where we are enjoying great success with our subsidiary Blue Dart Express. Blue Dart has been part of the Group since 2005. The company has been doing business in India for more than 30 years. It is a highly regarded company throughout the region and is also seen as a leader in e-commerce. Every second someone in India discovers the internet. At this rate, more than one billion people in India will be online by the year 2030. Our focus right now is on expanding our logistics to meet the demands of this burgeoning e-commerce market. One way we're doing this is by offering warehousing in addition to shipping and handling. Our first warehouse opened at the start of last year in Delhi. By 2020, that same facility will handle up to twelve million shipments a year. We've added a second site in Bangalore, which launched operations in January 2016.

We established our own domestic e-commerce delivery network in Thailand in January of this year. We plan to stick to this course of investing in e-commerce and driving growth.

Expansion of our global express network

DHL Express is a division we are particularly proud of. Our international express business has emerged as a true earnings machine for the Group. Market share has risen. And we are growing faster than our competition, continually extending our lead. And we're putting money into it. We are renewing our air fleet in Europe, for example, replacing old aircraft with new, more eco-efficient ones.

We are expanding our global hubs in Cincinnati and Leipzig. Leipzig, for example, will be getting a new sorting facility, representing an investment of some EUR 150 million. 800 new jobs will be created as a result; a total of 4,400 employees will work there. But that's not all.

We're doing much more. We have started new construction projects in Brussels, Singapore, Milan and London. We are off to a very good start. Highly-engaged employees and the right investments have put us in a class of our own. Our quality is outstanding – and it's getting better by the year.

Passionate freight forwarders

2015 was a tough year for our colleagues in freight forwarding. One thing we should never forget: These colleagues are masters in what they do. They do everything it takes to make sure your valuable freight shipments get to where they're going safe and sound. Like the pipe organ for Hamburg's new Elbe Philharmonic Concert Hall, a job involving 25 tons of delicate cargo. Just as fragile but with other requirements are medicines. Shipments like these are highly-sensitive to changes in temperature. A dedicated DHL platform is used to monitor shipments through every stage of their journey, making sure there are no disruptions in the cold chain. A special app allows customers to access the platform and manage the shipment at any time. Medicines and vaccinations save lives. But only if they arrive intact and uncompromised.

Efficiency in contract logistics

Contract logistics is all about warehousing, transport and value-added services for our customers. Our goal is to provide high quality at the lowest price possible. The only way to achieve this is through simple and standardized processes. Modern technology – and to be even more precise: digitization – is the answer. Take DHL in Singapore, for instance, where we operate a warehouse for a leading technology customer – this warehouse happens to be the customer's largest in the world.

We utilize cutting-edge technologies to help us get the job done. There's no standard shelving, no aisles and no forklifts. Instead, we have a workforce of some 230 employees and 40 robots working very efficiently together.

The robots retrieve the containers from the warehouse and take the goods to special processing stations. More complex tasks or management functions are handled by their human counterparts. Human-robot collaboration improves processes, increases capacity and reduces cost. A regular warehouse comes nowhere near the handling capacity of the warehouse in Singapore. The warehouse has four times more capacity than usual warehouses. Its productivity level is 40 percent higher. Singapore is not the only place we've introduced robots into our processes. We are setting up other state-of-the-art warehouses in other regions as well.

Contract logistics is based on trust. And big-name companies have placed their trust in DHL. We took on the global apparel logistics for Lufthansa in April, handling everything from purchasing and warehousing to distributing the work clothing to Lufthansa's pilots, flight attendants and ground personnel. We are delighted that Lufthansa has entrusted us with this important job.

Never stop improving

Our company has accomplished much over the course of its history. Our ability to change is what has made this possible. Holding your own on the market requires constant self-examination. So far we've done a good job at this. And we plan to push ahead in the same way.

Services 2.0

What does the future hold for us? And what is the future of logistics? At present, some 15 million devices are connected to the internet. By the year 2020, this figure will have increased to 50 billion computers and other devices and objects. Our world is changing, opening up fantastic opportunities in the process.

Deutsche Post DHL Group is known for its pioneering spirit. We love breaking new ground. As pioneers in logistics we make a decisive contribution to shaping the future of this industry. Digitization provides plenty of opportunities for us to do this.

Digital technologies can unlock productivity gains. Digitization is helping services become more efficient. “Services 2.0” is what I call this new generation of opportunities. One such example from the logistics industry is the use of smart glasses.

Smart glasses are far from science fiction. DHL Supply Chain in the Netherlands tested them over a period of several weeks and the results were very positive. Step-by-step instructions automatically appear in the user’s field of vision. Work becomes faster. And there are fewer errors.

Increased automation and robotics will have game-changing effects on operating processes. While able to take over many of the tasks performed by humans, machines will in no way replace people. In most cases work will be carried out in collaboration. Digitization is not an end in itself. Its purpose is to deliver added value and make life easier. Excellent connectivity is getting more and more important in shaping and securing a sustainable future in our globalized world. We have earmarked EUR 2.2 billion for investments in 2016. New technologies are one of the areas we will be investing in. Rest assured: This is money well-spent as it will lead to increased earnings.

E-mobility

E-mobility and carbon-free delivery are must-haves if we are to do our part to protect the environment. To this end, we’ve even taken up car manufacturing by developing our very own electric delivery vehicle, the StreetScooter. Production was launched with 500 vehicles. Full series production has now started and by the end of the year, a total of 2,000 StreetScooters will have left the production line.

Deutsche Post DHL Group has set its sights high: We want to improve our carbon efficiency by 30% over 2007 levels by 2020. That’s our goal. As of 2015, our carbon efficiency had already improved by 25%, bringing us that much closer to achieving our target.

Risk management in logistics

Our world is an increasingly vulnerable one, whether through climate change, natural disasters or political unrest. Disruptions can have a direct impact on global trade flows and supply chains. The economy depends on logistics – if the latter fails to work properly, the economy comes to a halt. Potential disruptions in the supply chain must be detected early, alternatives must be at the ready.

In response, we developed the DHL Resilience 360 platform. This supply chain risk management solution is unique in the industry. Near real-time tracking informs you of incidents and potential risks along the entire supply chain, helping you to avoid or at least reduce operational standstill. The tool was recognized in 2015 by the “Germany – Land of Ideas” initiative, which chose us as one of the 100 best German innovations for a digital world from over 1,000 applications.

Certified specialists

Continuous improvement is part of our company culture. Our First Choice toolbox is used across the Group to improve processes that are not running as smoothly as they could. Our guiding principle is “good is not enough” – there’s always room for improvement. In the end it all comes down to one thing: Delivering quality. We constantly ask our customers if they are satisfied with our service and if they would recommend us to others. They grade us on a scale of one to ten and this gives us a sense of where we stand. It’s nothing new. Others are doing the same thing. It’s our follow-through that sets us apart. We just recently received the PEX Process Excellence Award for our work in this area.

You cannot have good quality without good processes and good people. And that is the reasoning behind our new CERTIFIED initiative. We need “Certified employees in everything we do”. This extensive program, which gives participants a deeper knowledge of our business model, corporate strategy and company values, helps drive team spirit and is also a lot of fun. The program is also designed to expand competencies and expertise.

Nearly 110,000 employees around the world will go through Foundation training this year alone. By 2020, 80 percent of our workforce will have completed the program. They will all receive the coveted burgundy passport, proof that they are indeed “Certified”. I have taken part in the program. And I facilitate the sessions – together with many other executives. It is a wonderful experience for everyone. Our program is unmatched – no other logistics company is investing in its people like we are.

People make companies successful

We are one of the biggest employers in the world. Our numbers increased slightly in 2015 – we now employ some 500,000 people around the world. And we expect this number to grow even further. For many we are the starting point for a fulfilling career – we are one of the largest training companies in Germany. This is a great responsibility of which we are well aware.

This year we will once again be offering positions to all qualified trainees in the Post - eCommerce - Parcel division. For some 1,000 young individuals, this means the chance of pursuing a career at a top employer. Happy and engaged employees are the keys to success for any company. That is why I always pay close attention to the results of our annual employee survey. Last year’s survey results have confirmed one thing: That our people are happy with their company and where it is going. We work together, even when the going gets tough.

We have lots to offer. Including secure jobs in an exciting industry. Our employees are given opportunities for growth and development and are rewarded with competitive pay. For us, human resources development is about treating each of our employees with dignity and providing them with the support they need over the course of their entire working life.

Employee portraits

Our employees put their all into what they do, day in and day out. I’d like to introduce you to a few of them today.

Romina Orlean is a DHL Freight trainee in Menden, Germany. A conventional vocational training program would be difficult to manage for a single mother. But not with our part-time model. By offering a reduced 30-hour work week, nothing stands in the way of Romina Orlean realizing her career goal of becoming a forwarding and logistics agent. She is highly committed and well on her way.

Noorazam Bin Ibrahim works as a lead operations agent at DHL in Singapore. He makes sure express shipments are processed quickly and loaded onto the next cargo plane. Noorazam Bin Ibrahim has been with our company for 16 years and loves his job. He is also a proud member of the Disaster Response Team, our rapid-response team of logistics specialists that is often called upon by the UN when natural disasters strike. When the call comes, our people are quick to act.

Right now we have a team in Ecuador. You've probably seen it in the news – the country was hit by a 7.8 magnitude earthquake on April 16th, leaving widespread damage in western Ecuador in its wake. Hundreds of lives were taken. Thousands have been injured or have lost their homes. Our Disaster Response Teams (DRT) are on the ground, providing logistics support at the Manta airport. Their job is to make sure help arrives quickly where it's needed most. I am very proud of our DRT volunteers. They do important work under oftentimes difficult circumstances.

Tanja Laser is an office staff member and parcel courier at DHL Delivery in Dortmund, one of the newly formed regional companies I mentioned earlier. Tanja Laser works at one of these new companies. She makes sure your packages arrive safe and sound. She's aware of how important her job is.

“Acting together! – Refugee Aid of Deutsche Post”

There is one topic of particular importance on the European agenda right now. The growing number of refugees is a huge challenge, also for our country.

We want to help. Aiding the refugee crisis is a difficult job, but many hands make light work – if we all join together, we can make integration possible.

That's why we launched the "Acting together! – Refugee Aid of Deutsche Post" initiative in September 2015. And just a few weeks ago our efforts were recognized with the German CSR Prize, receiving the special award for effective refugee aid programs. We are proud of this achievement. We support in various ways – from financial aid and housing space to work opportunities. We have pledged up to EUR 1 million for the overall project. We are providing up to 100,000 square meters in real estate for refugee accommodation. Around 30,000 square meters are already in use. We are offering up to 1,000 internships – at present, more than 150 young refugees have enrolled and are learning about the German working world. We also have more than 100 volunteer coordinators to manage our refugee aid efforts locally. Our people's willingness to help is truly inspiring. More than 650 individual projects have been launched. 13,000 employees are currently involved as volunteers, serving as language and reading buddies, integration guides and interpreters.

Many of our people have been willing to lend administrative support to the Federal Office for Migration and Refugees. I am proud of everyone who – over and above their daily work - has gotten involved and am inspired by their passion. Lending a hand is easy – if doors are opened and people are willing. We are part of the Germany-wide coalition called "Wir zusammen" (All of us together) – a group of 50 companies that have joined together to promote the integration of refugees.

Jamal Osman Sheka is a refugee from Ethiopia. He is 21 years old and his journey ended in a town near Nuremburg. Jamal Sheka took part in an internship in delivery at Deutsche Post DHL Group in February and March of this year. And it paid off. He has now joined three other Ethiopian refugees in a so-called job-market qualification program. Open to everyone, this qualification program prepares young adults for vocational training. Jamal Sheka and his colleagues are now attending a vocational school. If all goes well, he will be able to start an apprenticeship this September. That means that Jamal Sheka has the opportunity to learn a trade in our company. I think that's amazing. And what's more – he's not the only one.

We have set the foundation for future success.

I'd like to close by summing up some of my key thoughts for you. Our world is changing by the day. What was good yesterday might not be good enough come tomorrow. Companies must remain flexible if they want to succeed.

Changing paths is fine – as long as the course you are charting is clear. The way forward for Deutsche Post DHL Group couldn't be clearer: We want to create value. We are targeting an average annual increase in earnings of more than 8 percent on average through 2020. And with motivated employees and plenty of innovative solutions, we will continue to make our customers' lives easier.

We are the undisputed leader in almost all areas of logistics. This is a position we aim to maintain in future – and we are set for success. 2015 was a year of transition for us. The course is set for a successful 2016 - and beyond. It wasn't always easy. There were hurdles to overcome but we did not let them hold us back. People always watch closely when a large company undergoes change. Changes in course such as those in the forwarding business were met with criticism. What counts is having the support of our people. What counts is believing in our common aspiration. These two factors – our people and our aspiration – are what make our company so outstanding. Even in a tough year like 2015, the spirit was palpable. Our employees are proud of the work they do. They are proud of their company. They believe in Strategy 2020. And I do, too.

Deutsche Post DHL Group is a strong company.

Our employees are the best in the industry.

Our course is set.

We have laid the foundations required to achieve our strategic objectives.

And that's why I'm so optimistic about our future.

On behalf of the Board of Management, I would like to thank you for the trust you have placed in us. I would like to thank the Supervisory Board for their valuable support.

But most of all I would like to extend my heartfelt thanks to the people who work for our company. Our achievements would not be possible without them. I know that I can count on these people in the future as well. And shareholders, you can, too.