

INVITATION TO THE ANNUAL GENERAL MEETING

Annual General Meeting 2017

WKN 555200

ISIN DE0005552004

WKN A2DANP

ISIN DE000A2DANP9

Deutsche Post DHL
Group

This edition of the Notice of Annual General Meeting, prepared for the convenience of our English-speaking shareholders, is a translation of the German original. Only the German original is authentic.

The shareholders of our Company are hereby invited to attend the

Annual General Meeting

to be held at the RuhrCongress Bochum, Stadionring 20, 44791 Bochum, Germany, on Friday, April 28, 2017, starting at 10:00 a.m.

AGENDA

- 1. Presentation of the adopted annual financial statements and approved consolidated financial statements, of the management reports for the Company and the Group with the explanatory report on information in accordance with Sections 289 (4), 315 (4) of the German Commercial Code (*Handelsgesetzbuch*, "HGB") and of the report by the Supervisory Board for fiscal year 2016**

Agenda item 1 does not require a resolution by the Annual General Meeting since the Supervisory Board has already approved the annual and consolidated financial statements. The documents presented serve to inform the Annual General Meeting with regard to the fiscal year ended and the position of the Company and the Group.

- 2. Appropriation of available net earnings**

The Board of Management and the Supervisory Board propose that the available net earnings (*Bilanzgewinn*) of EUR 5,486,994,756.46 for fiscal year 2016 be appropriated as follows:

Distribution to the shareholders via dividend of EUR 1.05 per no-par value share carrying dividend rights	EUR 1,269,557,416.05
Appropriation to other earnings reserves	EUR 0.00
Profit brought forward	EUR 4,217,437,340.41

4 Annual General Meeting 2017

Since the dividend is being paid in full from the tax specific capital contribution as defined in Section 27 of the German Corporate Income Tax Act (*Körperschaftsteuergesetz*, "KStG") (contributions not paid into the nominal capital), the payment is being made without deduction of withholding tax and solidarity surcharge. The dividend is tax-exempt for shareholders resident in Germany. It does not entitle recipients to a tax refund or a tax credit. For tax purposes, the distribution is considered a repayment of the contributions and, in the view of the German tax authorities, reduces the cost of acquiring the shares.

The number of no-par value shares carrying dividend rights may change before the date of the Annual General Meeting. In this case, an adjusted appropriation proposal will be submitted to the Annual General Meeting providing for an unchanged dividend per no-par value share carrying dividend rights and a correspondingly adjusted profit brought forward.

3. Approval of the actions of the members of the Board of Management

The Board of Management and the Supervisory Board propose that the actions of the members of the Board of Management holding office in fiscal year 2016 be approved for this period.

4. Approval of the actions of the members of the Supervisory Board

The Board of Management and the Supervisory Board propose that the actions of the members of the Supervisory Board holding office in fiscal year 2016 be approved for this period.

5. Appointment of the independent auditors and group auditors for fiscal year 2017 and the independent auditors for the audit review of interim financial reports

At the recommendation of the Finance and Audit Committee, the Supervisory Board proposes to appoint PricewaterhouseCoopers GmbH, *Wirtschaftsprüfungsgesellschaft*, Düsseldorf, as auditors of the Company and the Group for fiscal year 2017 and as auditors for the audit review of interim financial reports being issued before the Annual General Meeting 2018 will be held.

6. Creation of an Authorized Capital 2017 and authorization to exclude subscription rights as well as amendment of the Articles of Association

The current authorization of the Board of Management to increase the Company's share capital by up to EUR 236,267,019 by issuing new shares (Authorized Capital 2013, Section 5 (2) of the Articles of Association), expires on May 28, 2018. It shall be replaced by a new authorization in the amount of EUR 160,000,000.

The Board of Management and the Supervisory Board propose adoption of the following resolution:

a) Authorization to issue shares against cash and/or non-cash contributions, exclusion of subscription rights, authorized capital

The Board of Management, with the consent of the Supervisory Board, is authorized to increase the Company's share capital until April 27, 2022 by up to EUR 160,000,000 by issuing up to 160,000,000 no-par value registered shares against cash and/or non-cash contributions (Authorized Capital 2017). The authorization may be exercised in full or in part. The shares may be taken over by one or more financial institutions subject to the stipulation that they offer the shares to shareholders for subscription (indirect subscription right). Companies subject to Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or (7) of the German Banking Act (*Kreditwesengesetz*, "KWG") are legally equated with financial institutions.

The shareholders are generally entitled to a subscription right. However, with the consent of the Supervisory Board, the Board of Management is authorized to exclude the shareholders' subscription rights to shares:

- for fractional amounts arising due to the subscription ratio;
- to the extent it is necessary in order to grant holders of previously issued bonds with warrant or conversion rights or conversion obligations a subscription right to new shares to the extent they would be entitled after exercising the warrant or conversion rights or upon satisfaction of the conversion obligation;
- if the shares are issued against cash contributions and the issue price of the new shares is not substantially lower than the market price of the Company's shares with identical features already listed as of the date on which the issue price is finally determined and the issued shares do not exceed a total of 10% of the Company's share capital as of the date on which this authorization enters into force or – if this amount is lower – is exercised; other shares and subscription rights for shares issued, sold or granted since the adoption of this authorization under the exclusion of shareholders' subscription rights pursu-

ant to or in application *mutatis mutandis* of Section 186 (3) sentence 4 AktG shall be counted towards this 10% threshold; shares issued or to be issued for the servicing of bonds with warrants, convertible bonds and/or participating bonds, as well as profit participation certificates to the extent the aforementioned bonds and/or profit participation certificates have been issued during the term of this authorization under exclusion of subscription rights in application *mutatis mutandis* of Section 186 (3) sentence 4 AktG shall also be counted towards this 10% threshold;

- if the new shares are to be issued in connection with shareholding or other share-based programs to members of the Board of Management of the Company or members of the representative body of an affiliated company or to employees of the Company or an affiliated company, whereby the employment at or membership in the corporate body of the Company or an affiliated company must exist as of the grant date of the share issuance; as permitted pursuant to Section 204 (3) sentence 1 AktG, the contribution to be made for the new shares can be covered by that portion of the net income for the fiscal year which the Board of Management and the Supervisory Board may transfer to other earnings reserves pursuant to section 58 (2) AktG; to the extent members of the Board of Management shall be granted shares, this decision shall be made by the Supervisory Board of the Company;
- if the new shares are to be used for an initial offering of the Company's shares on a foreign exchange on which the shares have not previously been admitted for trading; the authorization applies *mutatis mutandis* for the initial public offering of receipts or certificates representing shares;
- for capital increases against non-cash contributions for purposes of corporate mergers or the acquisition of companies, parts of companies, equity interests in companies (including increasing existing interests) or other assets;
- if and to the extent that the Board of Management offers shareholders the option for a due and payable dividend claim vis-à-vis the Company to be paid (in full or in part) through the issue of new shares from Authorized Capital 2017 in lieu of cash payments.

The Board of Management is authorized, with the consent of the Supervisory Board, to stipulate the additional content of the share rights and the conditions of the share issuance.

The aforementioned authorizations on the exclusion of the subscription rights are issued independently from one another. They do not affect the authorization to issue the shares under a granting of subscription rights to the shareholders to one or more financial institutions or financial service companies equivalent to financial institutions subject to the stipulation

that they offer the shares to shareholders for subscription (indirect subscription right).

b) Amendment to the Articles of Association

Section 5 (2) of the Articles of Association is amended as follows:

"The Board of Management, with the consent of the Supervisory Board, is authorized to increase the Company's share capital until April 27, 2022 by up to EUR 160,000,000 by issuing up to 160,000,000 no-par value registered shares against cash and/or non-cash contributions (Authorized Capital 2017). The authorization may be exercised in full or in part. The shares may be taken over by one or more financial institutions subject to the stipulation that they offer the shares to shareholders for subscription (indirect subscription right). Companies subject to Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or (7) KWG are legally equated with financial institutions.

The shareholders are generally entitled to a subscription right. However, with the consent of the Supervisory Board, the Board of Management is authorized to exclude the shareholders' subscription rights to shares:

- for fractional amounts arising due to the subscription ratio;
- to the extent it is necessary in order to grant holders of previously issued bonds with warrant or conversion rights or conversion obligations a subscription right to new shares to the extent they would be entitled after exercising the warrant or conversion rights or upon satisfaction of the conversion obligation;
- if the shares are issued against cash contributions and the issue price of the new shares is not substantially lower than the market price of the Company's shares with identical features already listed as of the date on which the issue price is finally determined and the issued shares do not exceed a total of 10% of the Company's share capital as of the date on which this authorization enters into force or – if this amount is lower – is exercised; other shares and subscription rights for shares issued, sold or granted since the adoption of this authorization under the exclusion of shareholders' subscription rights pursuant to or in application *mutatis mutandis* of Section 186 (3) sentence 4 AktG shall be counted towards this 10% threshold; shares issued or to be issued for the servicing of bonds with warrants, convertible bonds and/or participating bonds, as well as profit participation certificates to the extent the aforementioned bonds and/or profit participation certificates have been issued during the term of this authorization under exclusion of subscription rights in application *mutatis mutandis* of Section 186 (3) sentence 4 AktG shall also be counted towards this 10% threshold;

8 Annual General Meeting 2017

- if the new shares are to be issued in connection with shareholding or other share-based programs to members of the Board of Management of the Company or members of the representative body of an affiliated company or to employees of the Company or an affiliated company, whereby the employment at or membership in the corporate body of the Company or an affiliated company must exist as of the grant date of the share issuance; as permitted pursuant to Section 204 (3) sentence 1 AktG, the contribution to be made for the new shares can be covered by that portion of the net income for the fiscal year which the Board of Management and the Supervisory Board may transfer to other earnings reserves pursuant to Section 58 (2) AktG; to the extent members of the Board of Management shall be granted shares, this decision shall be made by the Supervisory Board of the Company;
- if the new shares are to be used for an initial offering of the Company's shares on a foreign exchange on which the shares have not previously been admitted for trading; the authorization applies *mutatis mutandis* for the initial public offering of receipts or certificates representing shares;
- for capital increases against non-cash contributions for purposes of corporate mergers or the acquisition of companies, parts of companies, equity interests in companies (including increasing existing interests) or other assets;
- if and to the extent that the Board of Management offers shareholders the option for a due and payable dividend claim vis-à-vis the Company to be paid (in full or in part) through the issue of new shares from Authorized Capital 2017 in lieu of cash payments.

The Board of Management is authorized, with the consent of the Supervisory Board, to stipulate the additional content of the share rights and the conditions of the share issuance."

c) Repeal of the authorization to issue shares against cash and/or non-cash contributions dated May 29, 2013

The authorization to issue new shares against cash and/or non-cash contributions, as granted by the Annual General Meeting on May 29, 2013 under agenda item 6, shall be revoked as of the date on which the amendment to the Articles of Association resolved under b) enters into force.

Report of the Board of Management to the Annual General Meeting on agenda item 6 pursuant to Sections 203 (1) and (2) and 186 (4) sentence 2 AktG

The existing authorization of the Board of Management, with the consent of the Supervisory Board, to increase the share capital by up to EUR 236,267,019 (Section 5 (2) of

the Articles of Association), expires on May 28, 2018. The Board of Management and the Supervisory Board propose replacing the existing authorized capital by a new authorization in the amount of EUR 160,000,000 (Authorized Capital 2017). The authorization is to be valid until April 27, 2022. The Authorized Capital 2017 provides the Company the ability to acquire new equity quickly, flexibly and economically in accordance with international standards. In addition, it is intended for use in connection with corporate mergers or the acquisition of companies, parts of companies, equity interests in companies (including increasing existing interests) or other assets. The creation of Authorized Capital 2017 is aimed at ensuring that the Company has access at all times to the necessary instruments for raising capital – irrespective of the specific plans for its utilization or the interval between annual general meetings. There are currently no specific plans to utilize the authorized capital.

Shareholders generally have a statutory subscription right upon utilization of the Authorized Capital 2017. However, the Board of Management shall have the option of excluding the shareholders' subscription rights in the instances stipulated in the authorization. The Authorized Capital 2017 in the amount of EUR 160,000,000 proposed by the Board of Management and the Supervisory Board corresponds to approximately 12.9% of the share capital*. It does by far not exhaust the statutory scope of 50% of share capital.

The Board of Management will utilize the authorization to exclude shareholders' subscription rights for capital increases against cash and/or non-cash contributions only if and to the extent that the total proportion of the share capital attributable to those shares does not exceed 20%. If, during the term of the authorization proposed under agenda item 6 up to the time of its utilization, other authorizations to issue or sell shares of the Company or to issue rights that allow, or create an obligation, to subscribe to shares of the Company are used and subscription rights are excluded, this shall be counted toward the above threshold. Shares being issued based on convertible bonds already being issued, are as well taken into account.

The Board of Management requires the consent of the Supervisory Board to exclude subscription rights in each instance. The authorization on the exclusion of subscription rights is intended for seven groups of cases.

The first case concerns fractional amounts that may arise due to the subscription ratio. The authorization to exclude shareholders' subscription rights to so-called floating fractional shares facilitates settlement of a subscription rights issue if fractional amounts arise due to the issue volume or to present a practicable subscription ratio. The Company will utilize the new shares excluded from the subscription right at arm's length terms to protect the share price.

The second case provides for the option of being able to offer the new shares from the authorized capital for subscription not only to the Company's shareholders, but also to the holders (or creditors) of convertible bonds or bonds with warrants issued by Deutsche Post AG or its Group companies to the extent to which they would be entitled after exercising the warrant or conversion right or upon satisfaction of the conversion obligation. This enables the Company to also grant any dilution protection expected by the capital market and generally governed in the bond or warrant terms in favor of holders (or creditors) of the convertible bonds or bonds with warrants upon an issue of shares from the Authorized Capital 2017 without compensatory payments to be paid in cash or a reduction in the conversion or warrant price.

The third case opens the possibility for excluding subscription rights if the shares are issued for cash contributions and the issue price is not substantially lower than the market price. This authorization makes use of the option for simplified exclusion of subscription rights provided by Section 203 (1) sentence 1 in conjunction with Section 186 (3) sentence 4 AktG. This allows the Company to utilize market opportunities on the capital markets quickly and flexibly. It also saves the time and expense of settling the subscription rights. The setting of the issue price close to the market price results in a high cash inflow. In addition, the Company gains the ability to offer its shares to investors, in particular institutional investors in Germany and abroad, in the interest of expanding the Company's shareholder base. Due to the statutory minimum subscription period of two weeks, the options for reacting rapidly to short-term favorable market conditions are limited in the case of a share issue with subscription rights. In addition, the successful placement of a share issue with subscription rights entails additional risks due to the uncertainty about the extent to which the rights will be exercised. Issuing the new shares at a price comparable to their stock exchange price serves to protect shareholders against dilution, since it gives all shareholders the opportunity to purchase the shares needed to maintain their ownership interests via the stock exchange at virtually identical conditions. In addition, the Board of Management will endeavor to keep any discount to the market price small taking into account current market conditions. The authorization to exclude subscription rights is limited to 10% of the Company's share capital. Shares and subscription rights for shares that are issued, sold or granted since the adoption of this authorization under exclusion of the shareholders' subscription rights in accordance with or in application *mutatis mutandis* of Section 186 (3) sentence 4 AktG shall be counted towards this 10% threshold; shares that are issued or to be issued for the servicing of bonds with warrants, convertible bonds and/or participating bonds as well as profit participation certificates shall also be counted towards the threshold to the extent that the aforementioned bonds or profit participation certificates have been issued during the term of this authorization under exclusion of the subscription rights in application *mutatis mutandis* of Section 186 (3) sentence 4 AktG.

The fourth case permits the exclusion of the shareholders' subscription rights in order to issue new shares to members of the Company's Board of Management or the representative

body of an affiliate of the Company or to employees of the Company or an affiliate. In this context it shall be made possible to restrict the issue of shares to a certain group of persons or to certain persons within the aforementioned group in compliance with labor law requirements. As permitted pursuant to Section 204 (3) sentence 1 AktG, it shall be made possible to cover the contribution for the new shares using that portion of the net income for the fiscal year which the Board of Management and the Supervisory Board may transfer to other earnings reserves pursuant to Section 58 (2) AktG. This simplifies settlement of the share issue and reflects the fact that the issue of new shares to employees is remunerative in nature. To the extent the new shares are to be issued to members of the Company's Board of Management, under the authorization granted by the Annual General Meeting, the decision shall not be made by the Company's Board of Management but - pursuant to the allocation of responsibilities under German stock corporation law - by the Supervisory Board of the Company. The issuance of shares to executives and/or employees enhances identification with the Company and encourages the readiness to assume responsibility in the Company. The share-based remuneration also offers the ability to link the remuneration of executives and/or employees to the long-term development of the Company in appropriate cases.

Deutsche Post AG has established a global share matching plan for executives of the Group. Under this plan, executives with an RCS (Role Classification System) of grades B through D must invest 15%, and can invest up to 50%, of their annual variable remuneration in Deutsche Post shares at the current stock exchange price (Investment Shares). Executives with an RCS of grades E through F can invest up to 50% of their annual variable remuneration in investment shares at the current stock exchange price. After expiration of a four-year holding period and corresponding employment with the Group, the executives receive one additional share (Matching Share) for each Deutsche Post share purchased under the plan and held for the entire period. The Company's intention is to ensure the possibility to issue the investment shares and, if and to the extent the legal requirements are met, also the matching shares from Authorized Capital 2017. Based on the authorization granted by the Annual General Meeting on May 27, 2014 (agenda item 8), Deutsche Post AG also introduced a Performance Share Plan, under which Performance Share Units with subscription rights are issued to members of management of the Company's majority-owned enterprises as well as to executives of the Company and of its majority-owned enterprises, provided that these individuals have been allocated an RCS (Role Classification System) of grades B through F. After expiration of a four-year holding period and corresponding employment with the Group, and dependent on achievement of the performance targets specified in the authorization of the Annual General Meeting dated May 27, 2014, the eligible participants receive one Deutsche Post share per subscription right. The Company's intention is to reserve the right to also issue new shares from Authorized Capital 2017 to service claims under the Performance Share Plan, thus ensuring the flexibility to decide whether the shares used to service the Performance Share Plan are made available under Contingent Capital 2014, Authorized Capital 2017 or through acquiring own shares. In order to be able to issue new shares as remuneration to executives and/or employees or as

Investment Shares, it must be possible to exclude the shareholders' subscription rights. The proposed authorization to exclude subscription rights serves this purpose. However, the authorization to exclude subscription rights is not restricted to just serving the existing Share Matching Plan and Performance Share Plan. It can also be used if the Company introduces further or different share-based remuneration programs. In addition to a direct granting of new shares to members of the Company's Board of Management or the representative body of an affiliate or to employees of the Company or an affiliate, shares may also be acquired by a financial institution or other entity meeting the requirements set out in Section 186 (5) sentence 1 AktG subject to the stipulation that they use them exclusively for the purpose of granting them to persons from the aforementioned group or to repay a securities loan that was taken out exclusively for that purpose. This method can facilitate settlement of the granting of remunerative shares. In all cases the Board of Management will ensure that in economic terms the new shares are issued exclusively in connection with the issued authorization to members of the Company's Board of Management or the representative body of an affiliate of the Company or to employees of the Company or an affiliated company.

The fifth case provides for the exclusion of the shareholders' subscription rights, with the consent of the Supervisory Board, if the new shares are to be used to list the Company's shares on a foreign exchange on which the shares have not been previously admitted for trading, and applies *mutatis mutandis* to the initial public offering of receipts or certificates representing shares. The Company is committed to continually expanding its shareholder base, including outside Germany. This approach is in line with the Deutsche Post DHL Group's global orientation as the world's leading postal and logistics group. The listing of shares on a foreign exchange can support the goal of expanding the shareholder base. A large number of investors is more willing to invest if the shares are admitted to trading on the stock exchanges in their country. Deutsche Post AG therefore seeks to reserve the option to list its shares for trading on selected exchanges outside Germany. There are no specific plans to list the Company's shares on any foreign stock exchange. In order to begin trading on a foreign stock exchange, the issuer is generally required to make shares available to ensure that the shares (or receipts or certificates representing shares) are admitted to trading or to assist in trading activity after the shares have been admitted. This is only possible if Deutsche Post AG is not required to offer the new shares to its own shareholders for purchase. In keeping with the objective, the new shares are intended to be issued broadly to a large number of investors. The Company will take the market situation on the foreign stock exchange into account when determining the selling price. In the event that, for the purpose of ensuring orderly stock exchange trading, the shares can only be offered at a discount to the stock exchange price in Germany, the Board of Management shall endeavor to keep the discount to a minimum. The initial listing price of the shares will not be more than 8% to a maximum of 10% (excluding transaction costs) below the closing price of previously listed shares of the Company with identical features in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange on the last exchange trading day prior to the date on which the new shares are listed. The foregoing applies *mutatis*

mutandis if trading is to open in the form of receipts or certificates representing shares.

The sixth case governs the exclusion of the shareholders' subscription rights in the event of capital increases against non-cash contributions. The Company should have the ability to offer shares from the authorized capital as non-cash consideration in the course of corporate mergers or the acquisition of companies, parts of companies, equity interests in companies (including increasing existing interests) or other assets in lieu of paying cash consideration. The authorization is intended to provide the Company with the necessary freedom to take advantage of opportunities to acquire companies, parts of companies, equity interests in companies and other assets as well as to implement corporate mergers quickly and flexibly in international competition. The ability to offer shares as consideration for the acquisition of companies or equity interests carries considerable weight. However, it may also be in the Company's interest to be able to offer shares as consideration when acquiring other assets. This will generally apply to items of tangible fixed or intangible assets. The authorization is furthermore intended to afford the option of granting shares to holders of securitized or unsecuritized cash claims in lieu of cash payment, e.g., in instances where the Company has undertaken to make a cash payment when acquiring a company and subsequently intends to offer shares instead of cash. The granting of shares eases the Company's liquidity and can assist in optimizing its financial structure. Currently, there are no plans to acquire companies, parts of companies, equity interests in companies or other assets in exchange for the issuance of new shares. The Board of Management will decide in consideration of the potential alternatives, on a case-by-case basis, with the consent of the Supervisory Board, whether the option to issue shares under the exclusion of shareholders' subscription rights will be used for a possible corporate merger or acquisition of companies, parts of companies, equity interests in companies or other assets. This does not disadvantage the Company, since the issue of new shares against non-cash contributions requires that the value of the non-cash contribution is proportionate to the value of the new shares issued as consideration. As a rule, the Board of Management will determine the value of the shares to be offered as consideration based on the stock exchange price of Deutsche Post AG shares. There are however no plans to formally link the value of the shares to the stock exchange price, in particular to avoid the results of negotiations being called into question by fluctuations in the stock exchange price.

The seventh case is aimed at facilitating the payment of stock dividends. Stock dividends are understood as an offer made to all shareholders to receive due and payable dividends in the form of the Company's shares rather than cash. Technically, this can mean that shareholders invest their dividends as a non-cash contribution in the Company. In return, they receive new Deutsche Post AG shares. In practice, some stock dividends are offered through the publication of a formal subscription rights offering pursuant to Section 186 (1) and (2) AktG. If this method is selected, there is no need for statutory subscription rights to be excluded. However, it may also be in the interests of the Company and the shareholders in their entirety to deviate from the statutory provisions of Section 186 (1) and (2) AktG for

rights offerings (minimum subscription period of two weeks, announcement of the issue price at the latest three days before the end of the subscription period), observing strict non-discrimination among shareholders, and to select another procedure to pay dividends out in shares. For this purpose, it may be necessary to exclude shareholders' statutory subscription rights as a precaution – non-discrimination among shareholders notwithstanding – for instance to ensure that the dividend is paid out in a timely manner. Based on Section 186 (1) and (2) AktG, the Board of Management shall ensure in each instance that the shareholders have sufficient time to decide between a cash dividend and a dividend paid out in Deutsche Post AG shares. If a shareholder's dividend claim exceeds the subscription price for a whole number of shares, the difference will be paid out in cash. A cash payment is also made if the dividend claim falls short of the subscription price for one share. In lieu of paying out an amount due in cash, the Company reserves the right to offer shareholders a subscription for a further share against an additional cash payment. The Company is not planning to organize trading in subscription rights and/or fractional interests.

In order to facilitate settlement of the statutory subscription rights and in line with common corporate financing practices, the new shares can also be taken over by one or more financial institutions subject to the stipulation that they offer the shares to shareholders for subscription (indirect subscription right within the meaning of Section 186 (5) AktG). Companies subject to Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or (7) KWG are legally equated with financial institutions. In this event the statutory subscription right will not be substantially restricted, but rather serviced by the financial institution(s) and not by the Company in order to facilitate settlement.

In total, the Company currently has three amounts of contingent capital of up to EUR 161.81 million and one amount of authorized capital of up to EUR 236.27 million. The amounts of capital thus account for up to approx. 32.1% of the Company's share capital. The Authorized Capital 2013 in an amount of up to EUR 236.27 million – corresponding to a proportion of up to approx. 19% of the current share capital – shall be replaced with new Authorized Capital 2017 in an amount of up to EUR 160 million – corresponding to a proportion of up to approx. 12.9% of the current share capital. Contingent Capital 2011 in an amount of up to EUR 46.81 million – corresponding to a proportion of up to approx. 3.8% of the current share capital – shall be retained with a view to servicing convertible bonds still outstanding and shall be supplemented with new Contingent Capital 2017 in an amount of up to EUR 75 million – corresponding to a proportion of up to approx. 6% of the current share capital – which shall be available for servicing any convertible bonds still to be issued. Contingent Capital 2014 in an amount of up to EUR 40 million – corresponding to a proportion of up to approx. 3.2% of the current share capital – shall be used exclusively to service rights under remuneration programs for employees. If the resolutions are passed as proposed, the new and existing authorizations shall allow shares of the Company to be issued or sold or rights to be issued that allow, or create an obligation, to subscribe to shares of the Company, in an amount totaling up to EUR 321.81 million – corresponding to a proportion of up to approx. 25.9% of the current share capital.

*Unless specified otherwise, any references to the Company's share capital refer to February 16, 2017 (resolution of the Company's Board of Management on the resolution recommendation to the Annual General Meeting).

The Board of Management will report to the Annual General Meeting on each utilization of the Authorized Capital 2017.

7. Authorization to issue bonds with warrants, convertible bonds and/or participating bonds and profit participation certificates (or combinations of these instruments) and to exclude subscription rights together with concurrent creation of a contingent capital as well as amendment of the Articles of Association

The current authorization, dated May 29, 2013, for the Board of Management, with the consent of the Supervisory Board, to issue bonds with warrants, convertible bonds and/or participating bonds and profit participation certificates (or combinations of these instruments) expires on May 28, 2018. The intention is for this to be replaced by a new authorization in the same amount.

The Board of Management and the Supervisory Board propose adoption of the following resolution:

a) Authorization to issue bonds with warrants, convertible bonds and/or participating bonds and profit participation certificates and to exclude subscription rights

aa) Nominal amount, authorization period, number of shares

The Board of Management, with the consent of the Supervisory Board, is authorized to issue on one or more occasions until April 27, 2022, bearer or registered bonds with warrants, convertible bonds and/or participating bonds and profit participation certificates, including combinations of the aforementioned instruments (hereinafter referred to collectively as "bonds") in the total nominal amount of up to EUR 1,500,000,000 with a limited or unlimited term and to grant the bond holders or bond creditors warrant or conversion rights to up to 75,000,000 registered shares of the Company representing a proportionate interest in the share capital totaling up to EUR 75,000,000 in accordance with the detailed provisions of the bond terms. The bonds may also be issued against non-cash contributions.

The bonds may be denominated in euros or – restricted to the equivalent amount in euros – in the legal currency of any OECD country. They may be issued by Group

companies of Deutsche Post AG; in such instances, the Board of Management is authorized, with the consent of the Supervisory Board, to assume the guarantee for the bonds on behalf of the Company and to grant the holders of warrant or conversion rights or conversion obligations under such bonds new, registered shares in Deutsche Post AG.

bb) Subscription rights and exclusion of subscription rights

Shareholders are generally entitled to a subscription right to the bonds. The bonds may also be taken over by one or more financial institutions subject to the stipulation that they offer the bonds to shareholders for subscription (indirect subscription right). Companies subject to Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or (7) KWG are legally equated with financial institutions. Where the bonds are issued by Group companies of Deutsche Post AG, Deutsche Post AG shall ensure that the bonds are offered to the shareholders of Deutsche Post AG for subscription or that the statutory subscription right of the shareholders is excluded in accordance with this authorization.

The Board of Management is authorized, with the consent of the Supervisory Board, to exclude the shareholders' subscription rights to bonds:

- for fractional amounts arising due to the subscription ratio;
- to the extent it is necessary in order to grant the holders of previously issued bonds with warrant or conversion rights or conversion obligations a subscription right to bonds to the extent they would be entitled after exercising the warrant or conversion rights or satisfying the conversion obligations;
- if the bonds are issued against cash consideration and the issue price of the bonds is not substantially lower than the theoretical market value of the bonds as calculated in accordance with recognized methods of financial mathematics, or than the market value of the bonds as determined using a recognized market-based procedure, as of the date on which the issue price is finally determined; in this instance, warrant or conversion rights or conversion obligations to shares representing only up to 10% of the existing share capital as of the date on which this authorization enters into force or – if this amount is lower – is exercised, may be granted with respect to the bonds issued under exclusion of the shareholders' subscription rights; shares and subscription rights for shares issued, sold or granted since the adoption of this authorization under exclusion of the shareholders' subscription rights pursuant to or in application *mutatis mutandis* of Section 186 (3) sentence 4 AktG shall be counted towards the foregoing maximum amount; shares issued or to be issued for the servicing of bonds with warrants, convertible bonds and/or participating bonds or profit

participation certificates shall also be counted towards such threshold to the extent the aforementioned bonds and/or profit participation certificates were issued during the term of this authorization under exclusion of subscription rights in application *mutatis mutandis* of Section 186 (3) sentence 4 AktG;

- if and to the extent the bonds are issued against non-cash contributions for purposes of corporate mergers or the acquisition of companies, parts of companies, equity interests in companies (including increasing existing interests) or other assets.
- if and to the extent that the Board of Management offers shareholders the option for a due and payable dividend claim vis-à-vis the Company to be paid (in full or in part) through the issue of bonds by Deutsche Post AG or one of its Group companies pursuant to this authorization, in lieu of cash payments.

In addition to the aforementioned options to exclude subscription rights, the Board of Management is additionally authorized, with the consent of the Supervisory Board, to exclude the shareholders' subscription rights to participating bonds and/or profit participation certificates also if these (i) do not grant any warrant or conversion rights and do not constitute any conversion obligations, (ii) have the characteristics of a debenture and (iii) the interest rate and issue price of the participating bonds or profit participation certificates are in line with current market conditions at the time of their issue. Participating bonds and profit participation certificates have the characteristics of a debenture if they do not constitute any shareholder rights, do not grant any entitlement to liquidation proceeds and if the interest payment is not based on the net profit for the period. The interest payment is not based on the net profit for the period if the only criterion is that the payment of interest does not result in a net loss for the year or an accumulated loss or that the interest payment does not exceed the dividend to be paid to shareholders or does not exceed a set portion of the dividend.

The aforementioned authorizations on the exclusion of the subscription rights are issued independently from one another. They do not affect the authorization to issue the bonds under a granting of subscription rights for the shareholders to one or more financial institutions or financial service companies equated with financial institutions subject to the stipulation that they offer the shares to shareholders for subscription (indirect subscription right).

cc) Warrant right

If bonds with warrants are issued, each shall have one or several warrants attached to it, granting the holder the right to subscribe to no-par value registered shares in Deutsche Post AG in accordance with the detailed provisions of the warrant terms to be stipulated by the Board of Management. The warrant terms may stipulate that the price of the

warrant may also be satisfied by transferring bonds issued pursuant to this authorization and, if applicable, an additional cash payment. To the extent fractional shares are created, the warrant or bond terms may stipulate that such fractional shares may be combined to subscribe to whole shares, where applicable against an additional payment.

dd) Conversion right

In the event that bonds are issued with conversion rights, the bond holders shall have the right to exchange their bonds for no-par value registered shares in Deutsche Post AG in accordance with the bond terms to be stipulated by the Board of Management. The exchange ratio is calculated by dividing the nominal amount, or the issue price of the bond by the conversion price stipulated for one share in the Company, and may be rounded up or down to a whole number; an additional cash payment may also be stipulated, as well as the combination of fractional shares or compensation for non-convertible fractional shares.

ee) Conversion obligation, right to delivery of shares

The bond terms may stipulate an obligation for a convertible bond to be converted into shares, as well as stipulate the right of Deutsche Post AG or one of its Group companies to grant or offer the bond holders or creditors shares of Deutsche Post AG as full or partial substitution for payment of a cash amount due.

ff) Warrant or conversion price

The bond terms may stipulate either a fixed or a variable warrant or conversion price. The warrant or conversion price may be below the share price at the time of the resolution of the Board of Management to issue the bonds to be adopted.

gg) Dilution protection

The bond terms may stipulate provisions to protect the Company and/or the bond and/or warrant holders or creditors against dilution, for instance in cases where the Company (i) increases its share capital while granting subscription rights to its shareholders or issues additional convertible bonds, bonds with warrants or convertible profit participation certificates or grants or guarantees other warrant rights and grants no subscription rights to the holders of conversion or warrant rights to which they would be entitled after exercising the conversion or warrant rights or upon satisfaction of the conversion obligation, (ii) reduces its share capital, (iii) implements restructuring, or (iv) resolves the distribution of a diluting dividend. The dilution protection aimed at offsetting the dilution may be provided in particular through adjusting the conversion or warrant price or the warrant ratio for the purposes of preserving value, or making a cash payment as compensation for the negative effects of dilution, or granting a discount on

additional payment components; it may also be provided through granting subscription rights corresponding to the subscription rights offered to shareholders. In the event of a change of control in favor of third parties, an adjustment of the warrant or conversion rights or conversion obligations may be stipulated.

hh) Other bond terms

The Board of Management is authorized, with the consent of the Supervisory Board, to stipulate the further details regarding the issue and features of the bonds, or to determine these in consultation with the governing bodies of the Group company of Deutsche Post AG issuing the bonds, in particular (i) the warrant or conversion period, (ii) the warrant or conversion price, (iii) interest payment, (iv) issue price, (v) term, (vi) order of priority with respect to other bonds, (vii) denomination, (viii) obligations to pay arrears for payments omitted in previous years, (ix) the right of the Company and/or its Group companies not to grant new shares in the event that warrant or conversion rights are exercised or a conversion obligation arises, but instead to pay a cash amount in accordance with the detailed provisions of the bond terms, (x) the stipulation that in the event that warrant or conversion rights are exercised or a conversion obligation arises, existing shares of the Company may be delivered instead of new shares. The interest payment on the bonds may be fully or partly variable and can also be based or dependent on the Company's and/or the Group's profit ratios (including available net earnings or the dividend for shares of Deutsche Post AG stipulated by the resolution on appropriation of available net earnings) (participating bonds). In this case, the bonds may also be issued without warrant or conversion rights or conversion obligations. The provisions of Sections 9 (1), 199 (2) AktG must be observed in any event.

b) Contingent capital

The share capital is contingently increased by up to EUR 75,000,000 through the issue of up to 75,000,000 new, no-par value registered shares (Contingent Capital 2017). The contingent capital increase serves to grant warrant or conversion rights or to service conversion obligations as well as to grant shares in lieu of cash payments to holders of bonds issued by the Company or its Group companies in accordance with the authorization resolution of the Annual General Meeting on April 28, 2017. The new shares shall be issued at the warrant or conversion price stipulated in accordance with the authorization resolution of the Annual General Meeting on April 28, 2017. The contingent capital increase shall only be implemented if and to the extent that the holders or creditors of bonds that are issued or guaranteed based on the authorization resolution of the Annual General Meeting on April 28, 2017 exercise their warrant or conversion rights, satisfy their conversion obligations or shares are granted to holders or creditors of these bonds in lieu of cash payments and other means of satisfaction

are not used for servicing. The new shares participate in profits from the beginning of the fiscal year in which they are issued. The Board of Management is authorized, with the consent of the Supervisory Board, to stipulate the additional details for implementing the contingent capital increase.

c) Amendment to the Articles of Association

Section 5 (4) of the Articles of Association is amended as follows and renumbered Section 5 (5); the current Section 5 (5) is renumbered Section 5 (4):

"The share capital is contingently increased by up to EUR 75,000,000 through the issue of up to 75,000,000 no-par value registered shares (Contingent Capital 2017). The contingent capital increase serves to grant warrant or conversion rights or to service conversion obligations as well as to grant shares in lieu of cash payments to holders of bonds issued by the Company or its Group companies in accordance with the authorization resolution of the Annual General Meeting on April 28, 2017. The new shares shall be issued at the warrant or conversion price stipulated in accordance with the authorization resolution of the Annual General Meeting on April 28, 2017. The contingent capital increase shall only be implemented if and to the extent that the holders or creditors of bonds that are issued or guaranteed based on the authorization resolution of the Annual General Meeting on April 28, 2017 exercise their warrant or conversion rights, satisfy their conversion obligations or shares are granted to holders or creditors of these bonds in lieu of cash payments and other means of satisfaction are not used for servicing. The new shares participate in profits from the beginning of the fiscal year in which they are issued. The Board of Management is authorized, with the consent of the Supervisory Board, to stipulate the additional details for implementing the contingent capital increase."

d) Repeal of the authorization to issue bonds with warrants, convertible bonds and/or participating bonds and profit participation certificates (or combinations of these instruments) dated May 29, 2013

The authorization to issue bonds with warrants, convertible bonds and/or participating bonds and profit participation certificates (or combinations of these instruments), as granted by the Annual General Meeting on May 29, 2013 under agenda item 7, shall be revoked as of the date on which the amendment to the Articles of Association resolved under c) enters into force.

Report of the Board of Management to the Annual General Meeting on agenda item 7 pursuant to Section 221 (4) sentence 2 and Section 186 (4) sentence 2 AktG

The proposed authorization to issue bonds with warrants, convertible bonds and/or participating bonds and profit participation certificates, including combinations of the afo-

rementioned instruments (hereinafter referred to collectively as "bonds") in the total nominal amount of up to EUR 1,500,000,000 and the creation of a contingent capital of up to EUR 75,000,000 afford the Company the option of financing its activities quickly and flexibly via capital markets in the following five years by issuing the aforementioned instruments. The proposed authorization replaces the authorization dated May 29, 2013, which the Board of Management did not utilize. Please see the proposed resolution of the Board of Management and the Supervisory Board under agenda item 7 with regard to the details of the authorization.

Shareholders generally have a statutory subscription right to subscribe to bonds upon issue (Section 221 (4) in conjunction with Section 186 (1) AktG). However, the Board of Management shall have the option of excluding the shareholders' subscription rights in the instances stipulated in the authorization. The new contingent capital in the amount of EUR 75,000,000 proposed by the Board of Management and the Supervisory Board corresponds to approximately 6% of the share capital*. It does by far not exhaust the statutory scope of 50% of share capital.

The Board of Management will utilize the authorization to exclude shareholders' subscription rights only if and to the extent that the total proportion of the share capital attributable to those shares does not exceed 20%. If, during the term of the authorization proposed under agenda item 7 up to the time of its utilization, other authorizations to issue or sell shares of the Company or to issue rights that allow, or create an obligation, to subscribe to shares of the Company are used and subscription rights are excluded, this shall be counted toward the above threshold. Shares being issued based on convertible bonds already being issued are as well taken into account.

The Board of Management requires the consent of the Supervisory Board to exclude subscription rights in each instance. The authorization on the exclusion of subscription rights is intended for five groups of cases and in the event of the issuance of participating bonds and profit participation certificates having the characteristics of a debenture.

The first case concerns fractional amounts that may arise due to the subscription ratio. The authorization to exclude shareholders' subscription rights to so-called floating fractional shares facilitates settlement of a subscription rights issue if fractional amounts arise due to the issue volume or to present a practicable subscription ratio. The Company will utilize the bonds excluded from the subscription right at arm's length terms to protect the share price.

The second case provides for the option of being able to offer the bonds for subscription not only to the Company's shareholders, but also to the holders (or creditors) of convertible bonds or bonds with warrants issued by Deutsche Post AG or its Group companies to the extent to which they would be entitled after exercising the warrant or conversion rights or upon satisfaction of the conversion obligation. This enables the Company to

also grant any dilution protection expected by the capital market and generally governed in the bond or warrant terms in favor of holders (or creditors) of the convertible bonds or bonds with warrants upon issuing bonds pursuant to the proposed authorization under agenda item 7 without compensatory payments to be paid in cash or a reduction in the conversion or warrant price.

The third case opens the possibility to exclude subscription rights if the bonds are issued against cash consideration and the issue price of the bonds is not substantially lower than the theoretical market value of the bonds as calculated in accordance with recognized methods of financial mathematics, or than the market value of the bonds as determined using a recognized market-based procedure, as of the date on which the issue price is finally determined. This authorization makes use of the option for simplified exclusion of subscription rights provided by Section 221 (4) sentence 2 in conjunction with Section 186 (3) sentence 4 AktG. This allows the Company to utilize market opportunities on the financial and capital markets quickly and flexibly. It also saves the time and expense of settling the subscription rights. The setting of the issue conditions close to the market results in a high cash inflow. In addition, the Company gains the ability to offer its bonds to investors, in particular institutional investors in Germany and abroad, in the interest of expanding the Company's shareholder base. Due to the statutory minimum subscription period of two weeks, the options for reacting rapidly to short-term favorable market conditions are limited in the case of an issue with subscription rights. In addition, the successful placement of an issue with subscription rights entails additional risks due to the uncertainty about the extent to which the rights will be exercised. Issuing the bonds at an issue price closely based on the listed share price serves to protect shareholders against dilution, since it gives all shareholders the opportunity to purchase the shares needed to maintain their ownership interests via the stock exchange at approximately comparable conditions. Accelerated bookbuilding is considered as an example of a recognized market-based procedure for determining the market value. The Board of Management will endeavor to keep any discount to the market value small taking into account current market conditions. Warrant or conversion rights or conversion obligations to shares representing only up to 10% of the existing share capital as of the date on which this authorization enters into force or – if this amount is lower – is exercised, may be granted with respect to the bonds issued under exclusion of the shareholders' subscription rights. Compliance with this legal restriction will normally arise from the fact that the amount of contingent capital of EUR 75,000,000 corresponds to only approximately 6% of the Company's share capital. However, shares and subscription rights to shares that are issued, sold or granted since the adoption of this authorization under exclusion of the shareholders' subscription rights pursuant to or in application *mutatis mutandis* of Section 186 (3) sentence 4 AktG shall also be counted towards the aforementioned maximum amount of 10% of the share capital; shares issued or to be issued for the servicing of bonds with warrants, convertible bonds and/or participating bonds or profit participation certificates shall also be counted towards such threshold to the extent the aforementioned bonds and/or profit participation certifi-

cates were issued during the term of this authorization under exclusion of subscription rights in application *mutatis mutandis* of Section 186 (3) sentence 4 AktG.

The fourth case concerns the exclusion of the shareholders' subscription rights if the bonds are to be issued against non-cash contributions. This is intended to give the Company the ability to offer bonds as non-cash consideration, in whole or in part, for corporate mergers or the acquisition of companies or parts of companies, equity interests in companies (including increasing existing interests) or other assets instead of paying cash consideration. The authorization is intended to provide the Company with the necessary freedom to take advantage of opportunities to acquire companies, parts of companies, equity interests in companies and other assets as well as to implement corporate mergers quickly and flexibly in international competition. The utilization of the option to offer bonds as consideration for the acquisition of companies or equity interests can also make sense. However, it may also be in the Company's interest to be able to offer bonds as consideration when acquiring other assets. This will generally apply to items of tangible fixed or intangible assets. The authorization is furthermore intended to afford the option of granting bonds to holders of securitized or unsecuritized cash claims in lieu of cash payment, e.g., in instances where the Company has undertaken to make a cash payment when acquiring a company and subsequently intends to offer bonds instead of cash. The granting of bonds eases the Company's liquidity and can assist in optimizing its financial structure. Currently, there are no plans to acquire companies, parts of companies, equity interests in companies or other assets in exchange for the issuance of bonds. The Board of Management will decide in consideration of the potential alternatives, on a case-by-case basis, with the consent of the Supervisory Board, whether the option to issue bonds under the exclusion of shareholders' subscription rights will be used for a possible corporate merger or acquisition of companies or parts of companies, equity interests in companies or other assets. This does not disadvantage the Company, since the issue of bonds against non-cash contributions requires that the value of the non-cash contribution is proportionate to the value of the new bonds issued as consideration. The Board of Management will generally determine the value of the bonds to be offered as compensation based on the theoretical market value of the bonds calculated in accordance with recognized methods of financial mathematics, derived from the stock exchange price of Deutsche Post AG shares, or the market value of the bonds determined using a recognized market-based procedure. However, there are no plans to formally link the value of the bonds to the theoretical market value so calculated, in particular to avoid the results of negotiations being called into question by fluctuations in the stock exchange price.

The fifth case is aimed at opening the possibility for shareholders to choose for a due and payable dividend claim vis-à-vis the Company to be paid (in full or in part) through the issue of bonds by Deutsche Post AG or one of its Group companies, in lieu of cash payments. Technically, this can mean that shareholders invest their dividends as an investment in kind in the Company. In return, they receive bonds issued by Deutsche Post AG or one of its Group companies. The option for dividends to be paid in bonds may be con-

ducted as a formal rights offering pursuant to Section 221 (4) and Section 186 (1) and (2) AktG. If this method is selected, there is no need for statutory subscription rights to be excluded. However, it may be in the interests of the Company and the shareholders in their entirety to deviate from the statutory provisions of Section 221 (4) and Section 186 (1) and (2) AktG (minimum subscription period of two weeks, announcement of the issue price at the latest three days before the end of the subscription period) for the rights offering, observing strict non-discrimination among shareholders, and to select another procedure to pay dividends out in bonds. For this purpose, it may be necessary to exclude shareholders' statutory subscription rights as a precaution – non-discrimination among shareholders notwithstanding – for instance to ensure that the dividend is paid out in a timely manner. Based on Section 186 (1) and (2) AktG, the Board of Management shall ensure that the shareholders have sufficient time to decide between a cash dividend and a dividend paid out in bonds. If a shareholder's dividend claim exceeds the subscription price for a whole number of bonds, the difference will be paid out in cash. A cash payment is also made if the dividend claim falls short of the subscription price for one bond. In lieu of paying out an amount due in cash, the Company reserves the right to offer shareholders a subscription for a further bond against an additional cash payment. The Company is not planning to organize trading in subscription rights or fractional interests.

Due to a far lesser dilution effect, an exclusion of subscription rights will also be permitted when issuing participating bonds and/or profit participation certificates if these (i) do not grant any warrant or conversion rights and do not constitute any conversion obligations, (ii) have the characteristics of a debenture and (iii) the interest rate and issue price of the participating bonds or profit participation certificates are in line with current market conditions at the time of their issue. Participating bonds and profit participation certificates have the characteristics of a debenture if they do not constitute any shareholder rights, do not grant any entitlement to liquidation proceeds and if the interest payment is not based on the net profit for the period. The interest payment is not based on the net profit for the period if the only criterion is that the payment of interest does not result in a net loss for the year or an accumulated loss or that the interest payment does not exceed the dividend to be paid to shareholders or does not exceed a set portion of the dividend. The exclusion of the subscription right in these instances does not result in a relevant encroachment on shareholder rights. Participating bonds and profit participation certificates with the characteristics of a debenture are largely analogous to normal corporate bonds for which no statutory shareholder subscription rights exist upon issue.

In order to facilitate settlement, the bonds can also be taken over by one or more financial institutions in line with common corporate financing practices subject to the stipulation that they offer the bonds to shareholders for subscription (indirect subscription right within the meaning of Section 186 (5) AktG). Companies subject to Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or (7) KWG are legally equated with financial institutions. In this event the statutory subscription right will not be substantially

restricted, but rather only serviced by the financial institution(s) and not by the Company in order to facilitate settlement.

In total, the Company currently has three amounts of contingent capital of up to EUR 161.81 million and one amount of authorized capital of up to EUR 236.27 million. The amounts of capital thus account for up to approx. 32.1% of the Company's share capital. The Authorized Capital 2013 in an amount of up to EUR 236.27 million – corresponding to a proportion of up to approx. 19% of the current share capital – shall be replaced with new Authorized Capital 2017 in an amount of up to EUR 160 million – corresponding to a proportion of up to approx. 12.9% of the current share capital. Contingent Capital 2011 in an amount of up to EUR 46.81 million – corresponding to a proportion of up to approx. 3.8% of the current share capital – shall be retained with a view to servicing convertible bonds still outstanding and shall be supplemented with new Contingent Capital 2017 in an amount of up to EUR 75 million – corresponding to a proportion of up to approx. 6% of the current share capital – which shall be available for servicing any convertible bonds still to be issued. Contingent Capital 2014 in an amount of up to EUR 40 million – corresponding to a proportion of up to approx. 3.2% of the current share capital – shall be used exclusively to service rights under remuneration programs for employees. If the resolutions are passed as proposed, the new and existing authorizations shall allow shares of the Company to be issued or sold or rights to be issued that allow, or create an obligation, to subscribe to shares of the Company, in an amount totaling up to EUR 321.81 million – corresponding to a proportion of up to approx. 25.9% of the current share capital.

*Unless specified otherwise, any references to the Company's share capital refer to February 16, 2017 (resolution of the Company's Board of Management on the resolution recommendation to the Annual General Meeting).

8. Authorization to purchase own shares pursuant to Section 71 (1) No. 8 AktG and on the use of own shares as well as on the exclusion of subscription rights

The Board of Management has utilized the authorization to purchase own shares to about one third of the amount, as granted by the Annual General Meeting on May 27, 2014, and acquired shares of Deutsche Post AG via the stock exchange. The proposed authorization resolution replaces and renews the previously existing authorization to purchase own shares.

The Board of Management and the Supervisory Board propose adoption of the following resolution:

- a) The Company is authorized to acquire own shares amounting to a total of up to 10% of the share capital existing at the date the resolution is adopted. However, at no time may the number of shares purchased under this authorization together with shares of the Company that the Company has previously purchased and still holds or that are attributable to it pursuant to Sections 71d and 71e AktG exceed 10% of the then existing share capital.

Said authorization takes effect upon closing of the Annual General Meeting on April 28, 2017 and is valid until April 27, 2022. The current authorization to purchase own shares granted by the Annual General Meeting on May 27, 2014 under agenda item 6 and valid until May 26, 2019 shall be revoked as of the date on which the new authorization enters into force.

- b) The purchase of own shares may be effected, at the discretion of the Company, via the stock exchange, by means of a public tender offer to buy or a public invitation to the shareholders of the Company to submit sales offers or by other means in compliance with Section 53a AktG.

The purchase price (excluding incidental transaction costs) may not exceed the average share price prior to the effective date of the transaction by more than 10%, and may not be fixed more than 20% below it. The average share price is the non-volume-weighted average of the closing prices of the Company's shares in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange on the last five trading days. The effective date is:

- (1) if shares are purchased via the stock exchange: the date of the purchase or, if earlier, the date on which a commitment to purchase is entered into;
- (2) if shares are purchased by means of a public tender or a public invitation to the shareholders of the Company to submit sales offers: the date on which the Board of Management reaches a decision regarding the public tender offer or the public invitation to the shareholders of the Company to submit sales offers;
- (3) if shares are purchased by other means in accordance with Section 53a AktG: the date on which the Board of Management reaches a decision to purchase shares.

If the purchase price is determined or amended after publication of a public tender offer or a public invitation to the shareholders of the Company to submit sales offers, the effective date is the date on which the purchase price was determined or amended.

If the total amount of the shares for which the shareholders accept a public tender offer made by the Company or for which the shareholders submit a sales offer

exceeds the total amount of the public tender offer made by the Company, they will be accepted at a ratio of the total amount of the public tender offer to the total shares offered for sale by the shareholders. In the event of a public invitation to submit sales offers, shares will be accepted pro rata only in the case of offers of equal value. It may be stipulated, however, that in the case of offers of equal value smaller lots of up to 100 offered shares per shareholder be accepted on a preferential basis.

- c) The authorization may be exercised for any purpose permitted by law, and in particular to pursue one or more of the objectives set out in d) to f).
- d) The Board of Management is authorized to use own shares purchased on the basis of this or a prior authorization pursuant to Section 71 (1) No. 8 AktG, other than by sale via the stock exchange or an offer to all shareholders, excluding the subscription rights of the shareholders for the following purposes:
 - (1) to grant holders of previously issued bonds with warrant or conversion rights or conversion obligations a subscription right to own shares to the extent they would be entitled after exercising the warrant or conversion rights or after satisfaction of the conversion obligation;
 - (2) if the shares are issued, with the consent of the Supervisory Board, against cash consideration and the issue price is not substantially lower than the market price of the Company's shares with identical features already listed as of the date on which the issue price is finally determined and the issued shares do not exceed a total of 10% of the Company's share capital as of the date on which the authorization enters into force or – if this amount is lower – is exercised; other shares and subscription rights for shares issued, sold or granted since the adoption of this authorization under the exclusion of shareholders' subscription rights pursuant to or in application *mutatis mutandis* of Section 186 (3) sentence 4 AktG shall be counted towards this 10% threshold; shares issued or to be issued for the servicing of bonds with warrants, convertible bonds and/or participating bonds, as well as profit participation certificates to the extent the aforementioned bonds and/or profit participation certificates have been issued during the term of this authorization under exclusion of subscription rights in application *mutatis mutandis* of Section 186 (3) sentence 4 AktG shall also be counted towards this 10% threshold;
 - (3) if the own shares are to be issued in connection with shareholding or other share-based programs to members of the Board of Management of the Company or members of the representative body of an affiliated company or to employees of the Company or an affiliated company, whereby the employment at or membership in the corporate body of the Company or an affiliated

company must exist as of the grant date of the share issuance; to the extent members of the Board of Management shall be granted own shares, this decision shall be made by the Supervisory Board of the Company;

- (4) if, with the consent of the Supervisory Board, the own shares are to be used for an initial offering of the Company's shares on a foreign exchange on which the shares have not previously been admitted for trading; the authorization applies *mutatis mutandis* for the initial public offering of receipts or certificates representing shares;
- (5) if the own shares are issued, with the consent of the Supervisory Board, against non-cash consideration for the purposes of corporate mergers or the acquisition of companies, parts of companies or equity interests in companies (including increasing existing interests) or other assets; the granting of conversion or subscription rights and call options shall constitute a sale for the purposes of this provision;
- (6) if the own shares are used for the purposes of a stock dividend.

The own shares can be transferred to a credit institution or another entity satisfying the requirements set out in Section 186 (5) sentence 1 AktG if this credit institution or other entity acquires the shares subject to the stipulation that they sell them via the stock exchange, offer them to the shareholders for purchase or satisfy a public tender offer made to all shareholders and/or implement the aforementioned purposes. The Company can purchase the own shares for the purposes mentioned above under (1), (3) to (6) by way of a securities loan from a credit institution or another entity satisfying the requirements set out in Section 186 (5) sentence 1 AktG; this case requires the Company to ensure that the shares used to repay the securities loan are purchased in accordance with Section 71 (1) No. 8 sentences 3 and 4 AktG.

- e) In the event of a sale of own shares by a tender offer made to all shareholders, the Board of Management is authorized to grant holders or creditors of bonds with warrants, convertible bonds and/or participating bonds, profit participation certificates or combinations of the aforementioned instruments issued by Deutsche Post AG or its Group companies a subscription right to the own shares, to the extent to which they would be entitled as shareholders after exercising the warrant or conversion rights granted to them and to which the subscription right can be offered to them subject to the underlying terms for the purpose of dilution protection.
- f) The Board of Management is, with the consent of the Supervisory Board, further authorized to redeem own shares purchased on the basis of this or a prior authorization pursuant to Section 71 (1) No. 8 AktG in whole or in part, without an additional resolution by the Annual General Meeting. The redemption will result in a

reduction of the share capital. The Supervisory Board is granted the authority to amend the wording of the Articles of Association to reflect the redemption of the shares and the reduction in share capital. Alternatively, the Board of Management can stipulate by way of deviation from sentence 2 that the redemption shall result in an increase in the proportion of the remaining shares of the share capital (Section 8 (3) AktG). In this case, the Board of Management shall be authorized to amend the number of shares set forth in the Articles of Association.

- g) The aforementioned authorizations are granted independently from one another. They may be exercised on one or more occasions, in whole or in part, individually or jointly. The own shares may be acquired by dependent or majority-owned enterprises of the Company or by third parties acting on their behalf or on behalf of the Company. Shares acquired in this way may be used as defined in c) to f) above. This also applies if the Company acquires the shares in accordance with Section 71d sentence 5 AktG.

Report of the Board of Management to the Annual General Meeting on agenda item 8 pursuant to Section 71 (1) No. 8 in conjunction with Section 186 (4) sentence 2 AktG

The Board of Management has utilized the authorization to purchase own shares to about one third of the amount, as resolved by the Annual General Meeting 2014. The proposed authorization resolution replaces and renews the existing authorization to purchase own shares. The purpose of the authorization is to enable the Company to purchase shares in an aggregate amount of 10% of the share capital existing at the time the resolution is adopted on the stock exchange, by means of a public tender offer to buy or a public invitation to the shareholders of the Company to submit sales offers or by other means in compliance with Section 53a AktG. However, at no time may the number of shares purchased under this authorization together with shares of the Company that the Company has already purchased and still holds or that are attributable to it pursuant to Sections 71d and 71e AktG, exceed 10% of the then existing share capital. The proposed resolution forms part of the Company's long-term strategy regarding capital measures: in line with a common practice for listed stock corporations in Germany, the Company wishes, for the long term, to retain flexibility with regard to buying back own shares and the appropriation of these shares. The Company also wishes to be able, at short notice, to decide freely between the various financing options available to it in the interest of the Company and its shareholders.

Own shares may be used for any legally permissible purpose; in particular, they can be sold via the stock exchange or via a tender offer to all shareholders. Additionally, the authorization shall provide the possibility of excluding shareholders' subscription rights for the case groups listed in the authorization under items d) to f):

The first case under d) provides for the option of being able to offer the own shares for subscription not only to the Company's shareholders, but also to the holders (or creditors) of convertible bonds or bonds with warrants issued by Deutsche Post AG or its Group companies to the extent to which they would be entitled after exercising the warrant or conversion rights or upon satisfaction of the conversion obligation. This enables the Company to also grant any dilution protection expected by the capital market and generally governed in the bond or warrant terms in favor of holders (or creditors) of the convertible bonds or bonds with warrants without compensatory payments to be paid in cash or a reduction in the conversion or warrant price.

The second case under d) enables the Board of Management, with the consent of the Supervisory Board, to sell the purchased own shares without a public tender offer to all shareholders, under exclusion of the subscription rights, provided the share price is not substantially lower than the stock exchange price at the time the shares are sold. The authorization makes use of the legally permissible option for simplified exclusion of subscription rights in accordance with the regulatory approach specified in Section 186 (3) sentence 4 AktG. This allows the Company to utilize market opportunities on the capital markets quickly and flexibly. The setting of the selling price close to the market price results in a high cash inflow. In addition, the Company gains the ability to offer its shares to investors, in particular institutional investors in Germany and abroad, in the interest of expanding the Company's shareholder base. Issuing the own shares at a price comparable to their listed price serves to protect shareholders against dilution, since it gives all shareholders the opportunity to purchase the shares needed to maintain their ownership interests via the stock exchange at virtually identical conditions. In addition, the Board of Management will endeavor to keep any discount to the stock exchange price small taking into account current market conditions. The authorization to exclude subscription rights is limited to 10% of the Company's share capital. Shares and subscription rights for shares that are issued, sold or granted since the adoption of this authorization under exclusion of the shareholders' subscription rights in accordance with or in application *mutatis mutandis* of Section 186 (3) sentence 4 AktG shall be counted towards this 10% threshold; shares that are issued or to be issued for the servicing of bonds with warrants, convertible bonds and/or participating bonds as well as profit participation certificates shall also be counted towards the threshold to the extent that the aforementioned bonds or profit participation certificates have been issued during the term of this authorization under exclusion of the subscription rights in application *mutatis mutandis* of Section 186 (3) sentence 4 AktG.

The third case under d) also permits the exclusion of the shareholders' subscription rights in order to issue own shares to members of the Company's Board of Management or the representative body of an affiliate of the Company or to employees of the Company or an affiliate. In this context it shall be made possible to restrict the issue of shares to a certain group of persons or to certain persons within the aforementioned group in compliance with labor law requirements. To the extent the own shares are to be issued to

members of the Company's Board of Management, under the authorization granted by the Annual General Meeting and pursuant to the allocation of responsibilities under German stock corporation law, the decision shall not be made by the Company's Board of Management but by the Supervisory Board of the Company. The issuance of shares to executives and/or employees enhances identification with the Company and encourages the readiness to assume responsibility in the Company. The share-based remuneration also offers the ability to link the remuneration of executives and/or employees to the long-term development of the Company in appropriate cases.

Deutsche Post AG has established a global share matching plan for executives of the Group. Under this plan, executives with an RCS (Role Classification System) of grades B through D must invest 15%, and can invest up to 50%, of their annual variable remuneration in Deutsche Post shares at the current stock exchange price (Investment Shares). Executives with an RCS of grades E through F can invest up to 50% of their annual variable remuneration in Deutsche Post shares at the current stock exchange price. After expiration of a four-year holding period and corresponding employment with the Group, the executives receive one additional share (Matching Share) for each Deutsche Post share purchased under the plan and held for the entire period. The Company's intention is to ensure the possibility to issue own shares as Investment Shares and/or Matching Shares. Based on the authorization granted by the Annual General Meeting on May 27, 2014 (agenda item 8), Deutsche Post AG also introduced a Performance Share Plan, under which Performance Share Units with subscription rights are issued to members of management of the Company's majority-owned enterprises as well as to executives of the Company and of its majority-owned enterprises, provided that these individuals have been allocated an RCS of grades B through F. After expiration of a four-year holding period and corresponding employment with the Group, and dependent on achievement of the performance targets specified in the authorization of the Annual General Meeting dated May 27, 2014, the eligible participants receive one Deutsche Post share per subscription right. The Company's intention is to reserve the right to also issue own shares to service claims under the Performance Share Plan, thus ensuring the flexibility to decide whether the shares used to service the Performance Share Plan are made available under Contingent Capital 2014, Authorized Capital 2017 proposed under agenda item 6, or through acquiring own shares. In order to be able to issue own shares as remuneration to executives and/or employees or as Investment Shares or Matching Shares, it must be possible to exclude the shareholders' subscription rights. The proposed authorization to exclude subscription rights serves this purpose. However, the authorization to exclude subscription rights is not restricted to just serving the existing Share Matching Plan and Performance Share Plan. It can also be used if the Company introduces further or different share-based remuneration programs.

The fourth case under d) provides for the exclusion of the shareholders' subscription rights with the consent of the Supervisory Board if the own shares are to be used to list the Company's shares on a foreign stock exchange on which the shares have not been

previously admitted for trading, and applies *mutatis mutandis* to the initial public offering of receipts or certificates representing shares. The Company is committed to continually expanding its shareholder base, including outside Germany. This approach is in line with Deutsche Post DHL Group's global orientation as the world's leading postal and logistics group. In addition, the listing of shares on a foreign exchange can support the goal of expanding the shareholder base. A large number of investors is more willing to invest if the shares are admitted to trading on the stock exchanges in their country. Deutsche Post AG therefore seeks to reserve the option to list its shares for trading on selected exchanges outside Germany. There are no specific plans to list the Company's shares on any foreign stock exchange. In order to begin trading on a foreign stock exchange, the issuer is generally required to make shares available to ensure that the shares (or receipts or certificates representing shares) are admitted to trading or to assist in trading activity after the shares have been admitted. This is only possible if Deutsche Post AG is not required to offer the shares to its own shareholders for purchase. In keeping with the objective, the own shares are intended to be issued broadly to a large number of investors. The Company will take the market situation on the foreign stock exchange into account when determining the selling price. In the event that, for the purpose of ensuring orderly trading, the shares can only be offered at a discount to the stock exchange price in Germany, the Board of Management shall endeavor to keep the discount to a minimum. The initial listing price of the shares will not be more than 8% to a maximum of 10% (excluding transaction costs) below the closing price of previously listed shares of the Company with identical features in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange on the last exchange trading day prior to the date on which the shares are listed. The foregoing applies *mutatis mutandis* if trading is to open in the form of receipts or certificates representing shares.

The fifth case under d) governs the exclusion of subscription rights when using own shares for the purposes of acquiring assets. The Company should have the ability to offer own shares as non-cash consideration in the course of corporate mergers or the acquisition of companies, parts of companies, equity interests in companies (including increasing existing interests) or other assets in lieu of paying cash consideration. The authorization is intended to provide the Company with the necessary freedom to take advantage of opportunities to acquire companies, parts of companies, equity interests in companies and other assets as well as to implement corporate mergers quickly and flexibly in international competition. The ability to offer shares as consideration for the acquisition of companies or equity interests carries considerable weight. However, it may also be in the Company's interest to be able to offer shares as consideration when acquiring other assets. This will generally apply to items of tangible fixed or intangible assets. The authorization is furthermore intended to afford the option of granting shares to holders of securitized or unsecuritized cash claims in lieu of cash payment, e.g., in instances where the Company has undertaken to make a cash payment when acquiring a company and subsequently intends to offer shares instead of cash. The granting of shares eases the Company's liquidity and can assist in optimizing its financial structure.

Currently, there are no plans to acquire companies, parts of companies, equity interests in companies or other assets in exchange for the issuance of own shares. The Board of Management will decide in consideration of the potential alternatives, on a case-by-case basis, with the consent of the Supervisory Board, whether the option to issue shares under the exclusion of shareholders' subscription rights will be used for a possible corporate merger or acquisition of companies, parts of companies, equity interests in companies or other assets. This does not disadvantage the Company, since the use of own shares to acquire assets requires that the value of the asset acquired is proportionate to the value of the own shares issued as consideration. As a rule, the Board of Management will determine the value of the shares to be offered as consideration based on the stock exchange price of Deutsche Post AG shares. There are however no plans to formally link the value of the shares to the stock exchange price, in particular to avoid the results of negotiations being called into question by fluctuations in the stock exchange price.

The sixth case under d) is aimed at facilitating the payment of stock dividends. Stock dividends are understood as an offer made to all shareholders to receive due and payable dividends in the form of the Company's shares rather than cash. In practice, some stock dividends are offered through the publication of a formal rights offering pursuant to Section 186 (1) and (2) AktG. If this method is selected, there is no need for statutory subscription rights to be excluded. However, it may also be in the interests of the Company and the shareholders in their entirety to deviate from the statutory provisions of Section 186 (1) and (2) AktG (minimum subscription period of two weeks, announcement of the issue price at the latest three days before the end of the subscription period) for the rights offering, observing strict non-discrimination among shareholders, and to select another procedure to pay dividends out in shares. For this purpose, it may be necessary to exclude shareholders' statutory subscription rights as a precaution – non-discrimination among shareholders notwithstanding – for instance to ensure that the dividend is paid out in a timely manner. Based on Section 186 (1) and (2) AktG, the Board of Management shall ensure in each instance that the shareholders have sufficient time to decide between a cash dividend and a dividend paid out in Deutsche Post AG shares. If a shareholder's dividend claim exceeds the subscription price for whole shares, the difference will be paid out in cash. A cash payment is also made if the dividend claim falls short of the subscription price for one share. In lieu of paying out an amount due in cash, the Company reserves the right to offer shareholders a subscription for a further share against an additional cash payment. The Company is not planning to organize trading in subscription rights or fractional interests.

In order to facilitate settlement of the statutory subscription rights, the own shares can also be taken over by one or more financial institutions subject to the stipulation that they offer the shares to shareholders for subscription in line with common corporate financing practices (indirect subscription right within the meaning of Section 186 (5) AktG). Companies subject to Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or (7) KWG are legally equated with financial institutions. In this event the statutory

subscription right will not be substantially restricted, but rather serviced by the financial institution(s) and not by the Company in order to facilitate settlement.

For all aforementioned case groups, the authorization under d) states that shares may also be acquired by a credit institution or another entity meeting the requirements set out in Section 186 (5) sentence 1 AktG, subject to the stipulation that they sell them via the stock exchange, offer them to the shareholders for purchase or satisfy a public tender offer made to all shareholders and/or appropriate the shares in accordance with the purposes described in the aforementioned cases. This is designed to simplify the technicalities of reissuing the own shares. The same applies to the option, as contained in the authorization resolution, to acquire own shares by way of a securities loan. In this case, the Company shall ensure that the shares required to repay the securities loan are acquired in compliance with Section 71 (1) No. 8 sentences 3 and 4 AktG.

Under e), in the event of own shares sold via a tender offer made to all shareholders, the authorization provides the possibility of excluding subscription rights so that a subscription right to own shares can be granted not only to the Company's shareholders but also to the holders (or creditors) of bonds issued by Deutsche Post AG or its Group companies, to the extent to which they would be entitled as shareholders after exercising the warrant or conversion rights granted to them, and subject to the underlying terms in the interest of dilution protection. This enables the Company's Board of Management to implement any dilution protection provided for in the underlying terms in favor of holders or creditors of the warrant or conversion rights without compensatory payments to be paid in cash or a reduction in the conversion or warrant price.

Finally, under f) the authorization makes clear that own shares purchased by the Company may be redeemed without an additional resolution by the Annual General Meeting.

The Board of Management will report to the Annual General Meeting on each utilization of the authorization.

9. Authorization to use derivatives to purchase own shares

The Board of Management and the Supervisory Board propose adoption of the following resolution:

In addition to the authorization to purchase own shares to be resolved under agenda item 8 and the channels for doing so described in that resolution, shares may also be acquired by using derivatives.

- a) The Board of Management is authorized to acquire own shares within the scope resolved under agenda item 8 and with due regard to the following provisions: (i) by servicing options that, upon their exercise, require the Company to acquire own shares ("put options"), (ii) by exercising options that, upon their exercise, grant the Company the right to acquire own shares ("call options"), (iii) as a result of purchase agreements where more than two trading days exist between conclusion of the purchase agreement for Deutsche Post shares and actual delivery of the Deutsche Post shares ("forward purchases") or (iv) through making use of a combination of put options, call options and/or forward purchases (hereinafter also collectively referred to as "derivatives").
- b) Share purchases using derivatives must not exceed the maximum of 5% of the existing share capital at the time of the adoption of the resolution on this authorization by the Annual General Meeting. The terms of individual derivatives may not exceed 18 months. They must expire no later than April 27, 2022 and must be selected such that own shares may not be purchased via the exercising of derivatives after April 27, 2022.
- c) The purchase price (strike price) to be paid for the shares upon execution of the derivative transaction and/or the purchase price to be paid on fulfillment of forward purchase agreements (excluding incidental transaction costs in each case) may not exceed the average share price prior to conclusion of the relevant derivatives transaction by more than 10%, and may not fall below it by more than 20%. The premium received or paid on entry into the derivative contract must be taken into account unless it amounts to less than 5% of the strike price. The average share price is the non-volume-weighted average of the closing prices of the Company's shares in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange on the last five trading days.

The purchase price paid by the Company for derivatives may not significantly exceed, and the sales price received by the Company may not fall significantly below, the theoretical market value of the relevant derivatives as calculated in accordance with recognized methods of financial mathematics or the market value of the relevant derivatives as determined using a recognized market-based procedure, and when calculated must take into account, *inter alia*, the agreed strike price. The forward rate agreed by the Company for forward purchases may not significantly exceed the theoretical forward rate as calculated in accordance with recognized methods of financial mathematics or the forward rate as determined using a recognized market-based procedure, and when calculated must take into account, *inter alia*, the current stock exchange price and the term of the forward purchase.

- d) If own shares are procured using derivatives in accordance with the above provisions, the rights of shareholders to execute such derivative transactions with the

Company are excluded in application *mutatis mutandis* of Section 186 (3) sentence 4 AktG. The shareholders have a right to tender their shares only to the extent that the Company has an obligation to the shareholders within the scope of the derivative transaction to purchase the shares. Any further right to tender is excluded.

- e) The provisions set forth under agenda item 8 apply *mutatis mutandis* to the sale and redemption of shares acquired using derivatives.
- f) The current authorization to purchase own shares granted by the Annual General Meeting on May 27, 2014 under agenda item 7 and valid until May 26, 2019 shall be revoked as of the date on which the new authorization enters into force.

Report of the Board of Management to the Annual General Meeting on agenda item 9

In addition to the possibilities for acquiring own shares set forth under agenda item 8, the Company shall also be authorized to acquire own shares through making use of put options, call options, forward purchases or a combination of these instruments (hereinafter also referred to collectively as "derivatives"). This is intended to allow the Company to structure any acquisition of own shares in an optimal manner. It may be advantageous to the Company to sell put options or acquire call options instead of directly acquiring shares of the Company. Furthermore, it may be favorable to purchase own shares by way of forward purchases or via a combination of put and call options and/or forward purchases. The authorization proposed under agenda item 9 can also enable the Company to reliably plan future measures that require the issuance of shares.

When issuing put options the Company grants the purchaser of the put option the right to sell shares of the Company to the Company at a price stipulated in the put option (strike price). As consideration, the Company receives an option premium equivalent to the value of the put option having regard to factors such as the strike price, the term of the option and the volatility of Deutsche Post shares. If the put option is exercised, the option premium paid by the purchaser of the put options reduces the total consideration rendered by the Company for the acquisition of the shares. It only makes economic sense for the option holder to exercise the put option if the price of Deutsche Post shares at the time of exercise is less than the strike price, because the holder can then sell the shares at a higher strike price. From the Company's viewpoint, buying back shares by means of put options offers the advantage of the strike price being fixed when the option transaction is concluded, whereas there is no outflow of liquidity until the date the option is exercised. In addition, the option premium received reduces the acquisition cost for the shares. If the option holder does not exercise the option because the share price on the exercise date exceeds the strike price, the Company cannot acquire own shares in this manner, but it retains the agreed option premium.

Where call options are purchased, the Company receives the right, in return for the payment of an option premium, to buy a previously fixed number of Deutsche Post shares at a previously determined price (strike price) from the option seller. It makes economic sense for the Company to exercise the call option if the price of Deutsche Post shares exceeds the strike price, because it can then purchase the shares from the option seller at a lower strike price. In this way the Company can hedge against increasing share prices. The Company's liquidity is also preserved, because the fixed purchase price for the shares need only be paid when the call option is exercised.

For a forward purchase the Company agrees to purchase the shares from the forward seller at a predetermined date in the future. The purchase is made at a forward rate determined at the time the transaction was concluded. On the delivery date, the Company pays the forward seller the agreed forward rate and the forward seller delivers the shares in return.

As already highlighted by the fact that the acquisition of own shares via derivatives is specifically limited to 5% of the share capital, this option is merely intended to complement the instruments available for a share buyback. The authorization proposed under agenda item 9 therefore does not serve to extend the maximum limit for acquiring own shares proposed under agenda item 8 of up to a total of 10% of the share capital existing at the time the resolution is adopted; rather, it merely opens up additional structuring options within the prescribed acquisition limit. Both the requirements applicable to structuring the derivatives and those applicable to shares available for delivery ensure that even if this method of acquisition is used, the principle of non-discrimination vis-à-vis shareholders is always observed.

The authorization is issued for a period of five years. The terms of individual derivatives may, however, not exceed 18 months. The practical consequence of such requirements is that the authorization under agenda item 9 supplementing the authorization under agenda item 8 need not be proposed to every subsequent Annual General Meeting. On the other hand, the maximum term of the individual derivatives is significantly shorter than the statutory maximum term for an authorization resolution in accordance with Section 71 (1) No. 8 AktG. Additionally, the derivatives must expire no later than April 27, 2022 and must be selected such that own shares may not be purchased by exercising or satisfying the derivatives after April 27, 2022. This ensures that the Company does not acquire any further own shares on the basis of this supplemental authorization after the authorization to acquire own shares expires on April 27, 2022.

Moreover, the authorization stipulates that the purchase price (excluding incidental transaction costs in each case) payable by the Company for the Deutsche Post shares is the strike price or forward rate agreed under the respective derivative. The strike price or forward rate may be higher or lower than the stock exchange price for Deutsche Post shares on the date on which the derivative transaction was entered into, however it may

not exceed the average share price prior to conclusion of the relevant transaction by more than 10%, and may not fall below it by more than 20%. The option premium received or paid must be taken into account unless it amounts to less than 5% of the strike price. The purchase price paid by the Company for derivatives may not significantly exceed, and the sales price received by the Company may not fall significantly below, the theoretical market value of the relevant options at the date of the transaction as calculated in accordance with recognized methods of financial mathematics or the market value of the relevant options at the date of the transaction as determined using a recognized market-based procedure, and when calculated must take into account, *inter alia*, the agreed strike price. However, the discount on the theoretical market value as calculated in accordance with recognized methods of financial mathematics or on the market value as determined using a recognized market-based procedure when put options are sold, or the premium when call options are purchased, shall under no circumstances exceed 5% of the calculated theoretical market value of the options or their market value as determined using a recognized market-based procedure. Similarly, the forward rate agreed by the Company for forward purchases may not significantly (i.e., by no more than 5%) exceed the theoretical forward rate as calculated in accordance with recognized methods of financial mathematics or the forward rate as determined using a recognized market-based procedure, and must when calculated take into account, *inter alia*, the current stock exchange price and the term of the forward purchase.

Fixing the option premium and the strike price as described, and imposing the obligation to service options only with shares that were acquired subject to the principle of non-discrimination, particularly via the stock exchange at the then-current stock exchange price of Deutsche Post shares, prevents shareholders from suffering any economic disadvantage when own shares are acquired by means of derivatives. Those shareholders who do not participate in option transactions suffer no disadvantage in terms of value because the Company receives or pays a fair market price. This situation corresponds to the position of shareholders when shares are acquired via the stock exchange and where not all shareholders are in fact able to sell shares to the Company. Both the requirements applicable to structuring the options and those applicable to shares available for delivery ensure that even if this method of acquisition is used, the principle of non-discrimination vis-à-vis shareholders is always observed. In this respect it is justified, also with regard to the legal rationale behind Section 186 (3) sentence 4 AktG, not to give shareholders the right to conclude such option transactions with the Company. The Company is thus able to conclude option transactions at short notice and gains the necessary flexibility to respond quickly to market circumstances.

The shareholders have a right to tender their shares only to the extent that the Company has an obligation to the shareholders within the scope of the derivative transaction to purchase the shares. Otherwise, it would not be possible to use derivatives in order to buy back own shares or realize the associated advantages for the Company. After careful consideration of shareholders' interests and the interests of the Company, the Board of

Management regards the non-grant or restriction of shareholders' right of tender as justified because of the benefits that accrue to the Company as a result of using derivatives.

The own shares acquired via derivatives may be used, in particular, for the purposes resolved by the Annual General Meeting under agenda item 8 c) through f). In this respect, subscription rights may be excluded subject to the prerequisites set forth therein. The statements in the report of the Board of Management to the Annual General Meeting on agenda item 8 apply *mutatis mutandis*. The transaction will be implemented through a qualified and independent financial institution.

The Board of Management will report to the Annual General Meeting on each utilization of the authorization

Further information on the convening of the Annual General Meeting

1. Total number of shares and voting rights

On the date this invitation to the Annual General Meeting is published, the share capital of the Company amounts to EUR 1,240,935,298 divided into 1,240,935,298 no-par value voting shares, each of which grants one vote. The total number of voting rights thus amounts to 1,240,935,298 voting rights.

2. Prerequisites for attendance at the Annual General Meeting and the exercise of voting rights

Those persons who are registered in the Company's share register and have notified their intention to attend by April 21, 2017 (inclusive),

- to the following postal address: Hauptversammlung Deutsche Post AG, c/o ADEUS Aktienregister-Service-GmbH, 20716 Hamburg, Germany or
- by fax to: +49 (0) 228 182 63631 or
- via the online service provided by the Company at www.dpdhl.com/agm (please note that the use of the online service is subject to terms and conditions which may be accessed at the website indicated above – please note in particular that registrations and actions via the online service in principle take priority over registrations and actions via any other form)

are entitled to attend the Annual General Meeting and to exercise voting rights at the Annual General Meeting either in person or by proxy. Shareholders will receive the access code enabling them to use the online service with the invitation to the Annual General Meeting (notification pursuant to Section 125 (2) AktG). Shareholders who have registered to receive their invitation by E-POST are requested to use the access code received in their E-POST invitation or selected on registration.

Please register to attend the Annual General Meeting either by returning the reply form enclosed with the invitation (notification pursuant to Section 125 (2) AktG) or by using the online service available at www.dpdhl.com/agm. You may use the reply form to register to attend by ordering an admission ticket for yourself or for a third party, casting your votes by postal ballot or issuing proxy for, and voting instructions to, the designated proxies of the Company. In the cases listed above, please return the reply form only to the address or fax number indicated above. If you wish to use the reply form to issue proxy for, and – if applicable – voting instructions to, a financial institution, shareholders' association or another legally equivalent person or institution pursuant to Section 135 AktG, please send the reply form to the address provided to you by the proxy. Please do this early enough to ensure that you or the proxy will be able to register your shareholding in due time. You may use the online service to register to attend by ordering an admission ticket for yourself or for a third party, casting your votes by postal ballot, issuing proxy for and voting instructions to the designated proxies of the Company or a financial institution, shareholders' association or another legally equivalent person or institution pursuant to Section 135 AktG which use the online service, or submitting proof of proxy granted to a third party. Registrations may also be submitted by proxy. Registrations will be deemed to be on time if received by the Company on time.

Timely registration entitles shareholders in any event to exercise their rights – in person or by proxy – at the Annual General Meeting even if they have already submitted a postal ballot or appointed a proxy. Participation at the Annual General Meeting renders invalid any previously submitted postal ballots or a previously issued proxy.

The registration status in the share register on the day of the Annual General Meeting is decisive with respect to the right to attend the Annual General Meeting and the number of voting rights at the Annual General Meeting dedicated to each authorized participant. Please note that modifications to the share register will be suspended from April 21, 2017, by midnight, 24:00 CEST, until the end of the Annual General Meeting due to procedural considerations. Therefore, on the day of the Annual General Meeting, the share register reflects the registration status as of April 21, 2017, by midnight, 24:00 CEST.

3. Procedure for voting by postal ballot

Shareholders who are entitled to vote may exercise their voting rights at the Annual General Meeting without attending the Annual General Meeting by submitting a postal ballot. To vote by postal ballot the reply form that the Company enclosed with the invitation (notification pursuant to Section 125 (2) AktG) or the online service available at www.dpdhl.com/agm are at your disposal. If you do not use the online service, postal ballots may only be submitted to the address or fax number indicated above. Postal ballots must be submitted by April 21, 2017 inclusive (incoming). Postal ballots submitted by the registration deadline may be amended before the end of the shareholders' debate on the day of the Annual General Meeting. If you have ordered an admission ticket to attend the Annual General Meeting in person but are unable to attend, you may still use the online service to submit your votes by postal ballot before the end of the shareholders' debate on the day of the Annual General Meeting. If you did not use the online service when you registered to attend the Annual General Meeting and are unable to attend, you may still submit your votes by postal ballot without using the online service before the end of the shareholders' debate on the day of the Annual General Meeting. Postal ballots may only be submitted to the address or fax number indicated above in consideration of possible mail delivery time. Any votes submitted by postal ballot regarding agenda item 2 (Appropriation of available net earnings) shall also apply to any adjusted proposal on the appropriation of available net earnings resulting from a change in the number of shares carrying dividend rights. In the event separate votes are held on agenda item 3 and/or 4 (Approval of the actions of the members of the Board of Management and the Supervisory Board, respectively), any votes submitted by postal ballot relating to these agenda items shall apply *mutatis mutandis* for the separate votes.

4. Procedure for voting by proxy

Shareholders who are entitled to vote may also appoint a proxy to vote on their behalf. In this case too, shareholders or proxies must ensure that the shareholding has been registered in good time (see above).

Unless this invitation provides for a simplified procedure, proxies must be issued and revoked in text form; likewise, proof of proxy and proof of revocation towards the Company must be submitted in text form. To issue a proxy, please use the reply form that the Company enclosed with the invitation (notification pursuant to Section 125 (2) AktG) or the online service available at www.dpdhl.com/agm. You also may issue a proxy on the admission ticket or the proxy cards included in the voting card packet. Proof of proxy may be submitted electronically via the online service available at www.dpdhl.com/agm. Proof may also be provided at the accreditation desks at the Annual General Meeting.

The appointment of a financial institution, a shareholders' association or another legally equivalent person or institution pursuant to Section 135 AktG to serve as a proxy is subject to the statutory provisions, specifically Section 135 AktG. In such cases, we kindly request that shareholders verify the willingness of the potential proxy to attend the Annual General Meeting and to exercise the voting right, as well as to clarify the details of the issuance of the proxy, including its form. Those financial institutions, shareholders' associations and other legally equivalent persons or institutions pursuant to Section 135 AktG which use the Company's online service may also be appointed to serve as proxies via the online service available at www.dpdhl.com/agm.

We offer our shareholders the option of authorizing employees of the Company to exercise their voting rights on their behalf and in accordance with the shareholders' instructions. To issue the proxy for, and voting instructions to, the designated proxies of the Company the reply form that the Company enclosed with the invitation (notification pursuant to Section 125 (2) AktG) or the online service available at www.dpdhl.com/agm are at your disposal. If you do not use the online service, proxy and voting instructions may only be submitted to the address or fax number indicated above. Shareholders may also issue the proxy for, and voting instructions to, the designated proxies of the Company during the Annual General Meeting by filling out the proxy card included in the voting card packet. The designated proxies of the Company may only exercise the voting rights if they have received instructions. Any instructions issued to the designated proxies of the Company regarding agenda item 2 (Appropriation of available net earnings) shall also apply to any adjusted proposal on the appropriation of available net earnings resulting from a change in the number of shares carrying dividend rights. In the event separate votes are held on agenda item 3 and/or 4 (Approval of the actions of the members of the Board of Management and the Supervisory Board, respectively), any instructions relating to these agenda items shall apply *mutatis mutandis* for the separate votes.

Proxies and voting instructions issued to the designated proxies of the Company must be received by no later than April 21, 2017 inclusive (incoming). If proxies are issued for, and voting instructions are issued to, the designated proxies of the Company in due time, the voting instructions may be amended before the end of the shareholders' debate on the day of the Annual General Meeting. In addition, if you registered to attend the Annual General Meeting in a timely manner, you may still issue the proxy for, and voting instructions to, the designated proxies of the Company without using the online service before the end of the shareholders' debate.

5. Publication and delivery of information, reports and documents

The adopted annual financial statements and the approved consolidated financial statements, the management reports for the Company and the Group with the explanatory report on information in accordance with Sections 289 (4), 315 (4) HGB and the report by the Supervisory Board for fiscal year 2016, the proposal by the Board of Management on the appropriation of available net earnings and the reports by the Board of Management on agenda items 6, 7, 8 and 9 will be available to you on the Company's website at www.dpdhl.com/agm from the date this invitation to the Annual General Meeting is published. The documents will also be accessible at the Annual General Meeting.

The information to be made accessible on the Company's website in accordance with Section 124a AktG may be viewed following the publication of the invitation to the Annual General Meeting or without undue delay following receipt of the request on the Company's website at www.dpdhl.com/agm.

6. Broadcast of the Annual General Meeting

The Annual General Meeting will be broadcast online at www.dpdhl.com/agm until the conclusion of the CEO's address.

7. Motions, election proposals, requests to add items to the agenda, requests for information, shareholder rights

Shareholder motions and shareholder proposals for the election of members of the Supervisory Board or auditors, which shall be made available prior to the Annual General Meeting, must be directed to the addresses or fax number of Deutsche Post AG as specified below:

Postal address: Deutsche Post AG, Zentrale, Investor Relations,
Stichwort: Hauptversammlung, 53250 Bonn, Germany, or

Fax no.: +49 (0) 228 182 63199 or

E-mail: hauptversammlung@dpdhl.com

We will publish motions and election proposals which are received by midnight, 24:00 CEST, of April 13, 2017 at the above-mentioned addresses and fax number respectively and which must be made available to other shareholders without undue delay at www.dpdhl.com/agm.

44 Annual General Meeting 2017

Motions or election proposals must be brought forward or presented during the Annual General Meeting even if previously submitted.

Requests by shareholders to add items to the agenda and to announce such additions to the agenda (Section 122 (2) AktG) must be received by the Company no later than by midnight, 24:00 CEST, of March 28, 2017. Please address this type of inquiry directly to the Board of Management of Deutsche Post AG:

Postal address: Deutsche Post AG, Zentrale, Vorstand, Stichwort: Hauptversammlung, 53250 Bonn, Germany or

Fax no.: +49 (0) 228 182 63199 or

E-mail: hauptversammlung@dpdhl.com

Each shareholder who attends the Annual General Meeting has a right to information during the Annual General Meeting in accordance with Section 131 (1) AktG. This means that during the Annual General Meeting, any shareholder may request information from the Board of Management on the affairs of the Company, to the extent that such information is required in order to make a proper assessment of the agenda item.

Further information on the aforementioned rights of shareholders in accordance with Section 122 (2), Section 126 (1), Section 127 and Section 131 (1) AktG is available on the Company's website at www.dpdhl.com/agm.

Bonn, March 2017

**Deutsche Post AG
The Board of Management**

Deutsche Post AG
Zentrale
Investor Relations
53250 Bonn

**Deutsche Post DHL
Group**

