

# INVITATION TO THE ANNUAL GENERAL MEETING

Annual General Meeting 2018

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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 World Conference Center Bonn, main building entrance, Platz der Vereinten Nationen 2, 53113 Bonn, Germany, on Tuesday, April 24, 2018, 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 289a (1), 315a (1) of the German Commercial Code (*Handelsgesetzbuch*, "HGB") and of the report by the Supervisory Board for fiscal year 2017**

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 6,102,911,829.38 for fiscal year 2017 be appropriated as follows:

Distribution to the shareholders via dividend of EUR 1.15 per no-par value share carrying dividend rights	EUR 1,408,825,180.10
Appropriation to other earnings reserves	EUR 0.00
Profit brought forward	EUR 4,694,086,649.28

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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 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 as well as 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 2017 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 2017 be approved for this period.

### **5. Appointment of the independent auditors and group auditors for fiscal year 2018 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 2018 and as auditors for the audit review of interim financial reports being issued before the Annual General Meeting 2019 will be held.

**6. Authorization to grant subscription rights to members of management of the Company's majority-owned enterprises and to executives of the Company and of its majority-owned enterprises, creation of a contingent capital against non-cash contributions (Contingent Capital 2018/1) as well as amendment to the Articles of Association**

The current authorization, dated May 27, 2014, for the Board of Management to grant subscription rights to members of management of the Company's majority-owned enterprises and to executives of the Company and of its majority-owned enterprises expires on May 26, 2019. It shall be replaced by a new authorization.

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

**a) Authorization to issue subscription rights**

The Board of Management is authorized, until April 23, 2021 (authorization period), to issue up to a total of 12,000,000 Performance Share Units with subscription rights to a total of up to 12,000,000 no-par value registered shares in Deutsche Post AG representing a proportionate interest in the share capital of EUR 1.00 each, to members of management of the Company's majority-owned enterprises and also to executives of the Company and of its majority-owned enterprises. The Performance Share Units may also be issued by majority-owned enterprises, subject to the consent of the Board of Management. In this case, the Board of Management is authorized to grant new registered shares in the Company to the beneficiaries in accordance with this authorization.

Each Performance Share Unit grants (i) a claim to remuneration equal to the stock exchange price of one Deutsche Post AG share (remuneration amount) as well as (ii) the right to subscribe to one no-par value registered share in Deutsche Post AG representing a proportionate interest in the share capital of EUR 1.00 each, against the remuneration amount attributable to one Performance Share Unit as a non-cash contribution in accordance with the following provisions (subscription right). The remuneration amount shall initially be based on the stock exchange price of one share in Deutsche Post AG on the issue date (basic remuneration) and increases or decreases in line with the stock exchange price development of shares of Deutsche Post AG for a period of four years from the issue date (waiting period). The remuneration amount is denominated in euros and is paid in full by the Company by issuing shares, unless the Company has chosen settlement by payment or the remuneration amount is forfeited in accordance with the following terms without substitution or compensation. If and to the extent that the Performance Share Units are issued by a majority-owned enterprise of the Company, the remuneration amount shall continue to represent a claim of Deutsche Post AG against the majority-owned enterprise of the Company after its non-cash contribution by the executives entitled to subscription (beneficiaries) to the Company. The stock

exchange price of the shares in Deutsche Post AG is the non-volume-weighted average of the Xetra (or a comparable successor system) closing prices of the Company's shares on the Frankfurt Stock Exchange during the reference period (stock exchange price). The reference period comprises the 20 trading days preceding the issue date (initial price) and the 60 trading days preceding the last day of the waiting period (closing price).

**(1) Beneficiaries and distribution**

The group of beneficiaries includes members of management of the Company's majority-owned enterprises and executives of the Company and of its majority-owned enterprises provided that in the Role Classification System (RCS) of Deutsche Post DHL Group they possess an RCS grade of B through F (beneficiaries). A total portion of up to 30% of the Performance Share Units may be issued to the executives who are members of management of majority-owned enterprises of the Company. The remaining Performance Share Units are available for issuance to the executives who are employees of the Company and majority-owned enterprises of the Company and who have one of the aforementioned RCS grades. To the groups specified below in each case up to a maximum of the stated number of Performance Share Units may be issued in the annual tranches:

Group	Current proportion of the total number of executives	Maximum number of annually assignable Units
Members of management of DPAG's majority-owned enterprises	11 percent	1 million
Employees of DPAG	27 percent	2 million
Employees of DPAG's majority-owned enterprises	62 percent	5 million

During the period of the Performance Share Plan the proportion of executives in the stated groups can change (+/- 15 percent).

**(2) Issue periods (acquisition periods)**

The Company can issue the subscription rights within the authorization period in annual tranches, in each case dating from the day following the Annual General Meeting of the Company until (and including) November 30 in that year. In 2018, the issue period comes to an end at the earliest four weeks after registration of the contingent capital (item b)) in the commercial register. The Board of Management, in its decision on the issuance of Performance Share Units, stipulates the date of issuance for the relevant tranche (issue date).

**(3) No issue of shares during the waiting period**

Shares to service subscription rights under the Performance Share Units may not be issued prior to expiry of the waiting period of four years following the issue date.

**(4) Performance targets**

The issuance of shares arising from subscription rights is dependent on the fulfillment of at least one of the performance targets set forth below, as of the last day of the waiting period. The following applies for every six subscription rights granted: up to a total of four shares may be issued in accordance with the following scale if and to the extent that share performance targets have been achieved; up to two shares may be issued in accordance with the following scale if and to the extent that outperformance targets have been met.

- (a) Share performance targets are deemed to be met if the closing price of the share in the Company exceeds the initial price, as described below:
- One share may be issued if the closing price exceeds the initial price by at least 10%.
  - Two shares may be issued if the closing price exceeds the initial price by at least 15%.
  - Three shares may be issued if the closing price exceeds the initial price by at least 20%.
  - Four shares may be issued if the closing price exceeds the initial price by at least 25%.

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- (b) The outperformance targets are deemed to be met if one of the following conditions has been met:
- One share may be issued if during the waiting period the Company's share performance (closing price – initial price) at least corresponds in terms of percentage change to that of the STOXX Europe 600 Index (SXXP) or a comparable successor system (closing value – initial value).
  - Two shares may be issued if the Company's share performance in terms of percentage change during the waiting period (closing price – initial price) exceeds that of the STOXX Europe 600 Index (SXXP) or a comparable successor system (closing value – initial value) by at least ten percentage points.

The initial value is the non-volume-weighted average of the index value (closing value) on the 20 trading days preceding the issue date. The closing value is the non-volume-weighted average of the index value (closing value) on the 60 trading days preceding the last day of the waiting period.

- (c) If and to the extent that the share performance targets or the outperformance targets are not deemed to have been met as of the last day of the waiting period, the subscription rights no longer grant the right to issue shares.
- (d) If the closing price does not exceed the initial price on the last day of the waiting period, the shares related to the achievement of the outperformance targets are only issued, if and when the stock exchange price of the shares subsequently exceeds the initial price (issuance prerequisite). The reference period for the determination of the stock exchange price shall comprise the 20 preceding trading days. If the issuance prerequisite has not been met within two years of expiry of the waiting period, the subscription rights shall expire without substitution or compensation.

### **(5) Restriction on the issuance of shares arising from subscription rights (cap)**

If the final amount of the total remuneration exceeds the initial amount of the total remuneration by more than 200 percent (cap), the number of subscription rights for which shares can be issued is reduced according to the ratio of the cap amount (numerator) to the final amount of the total remuneration (denominator). The number of subscription rights shall be rounded up to the next whole number. The final amount of the total remuneration equals the sum of the remuneration amounts from the Performance Share Units issued to a beneficiary in one tranche and for which the prerequisites for the issuance of shares or, if the Company has chosen settlement by payment, for the payment of the remuneration amount have been met. The initial amount of the total remuneration



equals the sum of the remuneration amounts of the Performance Share Units issued to the beneficiary in this tranche on the issue date. The cap amount is the sum of the initial amount of the total remuneration and the increase by 200 percent.

#### **(6) Allocation of shares and issue price/expiration of subscription rights**

If and to the extent that the prerequisites for the issuance of the shares have been met on the final day of the waiting period, the shares shall be issued to the beneficiaries immediately upon expiry of the waiting period. If the issuance prerequisite pursuant to (4) (d) above is met within two years following expiry of the waiting period, the shares shall be issued immediately after the issuance prerequisite has been fulfilled. An exercise notice from the executives entitled to subscription (beneficiaries) is not required. Shares are issued against the remuneration amount relevant to the respective Performance Share Unit by way of a non-cash contribution at the issue price in the proportionate amount of the issued shares in the share capital. If and to the extent that performance targets are not achieved or the subscription rights no longer grant the right of shares to be issued because the cap is exceeded or for any other reason, the subscription rights lapse without entitlement to substitution or compensation, as does the remuneration amount related to the subscription rights now no longer to be serviced.

#### **(7) Adjustment following capital measures**

If the Company increases its share capital while granting direct or indirect subscription rights to its shareholders or sells its own shares or issues new bonds with conversion and/or warrant rights, the beneficiaries can be granted dilution protection to ensure the capital measure does not affect the economic content of the Performance Share Units. This includes the adjustment of the number of subscription rights within the scope of the Contingent Capital 2018/1, which may be increased in accordance with Section 218 of the AktG. Dilution protection can also be granted in the event of a capital increase from the Company's reserves or a reduction in capital. The Board of Management is authorized to grant dilution protection in other cases as well, with the objective of preserving the economic content of the Performance Share Units. Details are determined by the provisions governing the subscription. Section 9 (1) of the AktG remains unaffected.

#### **(8) Right of replacement of the Company**

The Company can, instead of delivering new shares from the Contingent Capital 2018/1, reserve the right to pay the remuneration amount pertinent to the shares to be issued or to deliver own shares that it already holds or that it acquires for this purpose.

### **(9) Other provisions**

The subscription rights are inheritable but may not be transferred or sold. They cannot be pledged.

The new shares issued to service subscription rights participate in profit from the beginning of the fiscal year in which they are issued.

The Performance Share Units and the related shares to be issued can be taken over by a credit institution subject to the stipulation that, on instruction by the Company, these Performance Share Units and shares are transferred to the beneficiaries.

### **(10) Further specifications**

The Board of Management is authorized to stipulate the further specifications for the granting and settlement of subscription rights in addition to the issuing of shares from the contingent capital. In accordance with the aforementioned authorization, these specifications include, in particular:

- determination of the number of Performance Share Units to be issued to individual beneficiaries or groups of beneficiaries by stipulating the relevant criteria or making the selection itself;
- provisions governing the implementation and processing of the allocation of Performance Share Units and the further details concerning the issuance of shares;
- provisions governing the handling of Performance Share Units if, on expiration of the waiting period, beneficiaries are no longer in an ongoing service or employment relationship with the Company or with any of the Company's majority-owned enterprises; also if a company, business unit or part of a business unit leaves the Group, and in the event of a change of control or delisting;
- provisions pertaining to dilution protection for beneficiaries within the scope of the aforementioned authorization.

### **b) Contingent capital**

The share capital shall be contingently increased by up to EUR 12,000,000 through the issue of up to 12,000,000 no-par value registered shares (Contingent Capital 2018/1). The contingent capital increase serves to grant subscription rights to members of management of the Company's majority-owned enterprises and to executives of the Company and of its majority-owned enterprises, provided that in the Role Classification

System (RCS) of Deutsche Post DHL Group they possess an RCS grade of B through F (beneficiaries). Subscription rights may only be issued on the basis of the aforementioned authorization resolution (item a)). Shares shall be issued to the beneficiaries against contribution of the remuneration amount pertaining to the respective Performance Share Units issued in accordance with the aforementioned authorization resolution, as of the issue date of the shares and by way of a non-cash contribution at the issue price in the proportionate amount of the issued shares in the share capital. This requires one share to be issued respectively against the applicable remuneration amount from a Performance Share Unit arising on expiry of the waiting period. The contingent capital increase shall only be implemented to the extent that shares are issued based on the subscription rights granted and the Company does not redeem the subscription rights by cash payment or delivery of own shares. The new shares participate in profits from the beginning of the fiscal year in which they are issued.

### **c) Amendment to the Articles of Association**

The following new paragraph 6 is entered following Section 5 (5) of the Articles of Association:

"The share capital is contingently increased by up to EUR 12,000,000 through the issue of up to 12,000,000 no-par value registered shares (Contingent Capital 2018/1). The contingent capital increase serves to grant subscription rights to members of management of the Company's majority-owned enterprises and to executives of the Company and of its majority-owned enterprises, provided that in the Role Classification System (RCS) of Deutsche Post DHL Group they possess an RCS grade of B through F (beneficiaries). Subscription rights may only be issued on the basis of the authorization resolution of the Annual General Meeting dated April 24, 2018. Shares shall be issued to the beneficiaries against contribution of the remuneration amount pertaining to the respective Performance Share Units issued in accordance with the authorization resolution of the Annual General Meeting on April 24, 2018, as of the issue date of the shares and by way of a non-cash contribution at the issue price in the proportionate amount of the issued shares in the share capital. This requires one share to be issued respectively against the applicable remuneration amount from a Performance Share Unit arising on expiry of the waiting period. The contingent capital increase shall only be implemented to the extent that shares are issued based on the subscription rights granted and the Company does not redeem the subscription rights by cash payment or delivery of own shares. The new shares participate in profits from the beginning of the fiscal year in which they are issued."

**d) Authorization to amend the wording of the Articles of Association**

The Supervisory Board is authorized to amend the wording of Section 5 (1) and (6) of the Articles of Association to reflect the issuance of subscribed shares. The same applies if and to the extent that the subscription rights can no longer be serviced.

**e) Repeal of the authorization dated May 27, 2014**

The authorization of the Annual General Meeting held on May 27, 2014, to grant subscription rights to members of management of the Company's majority-owned enterprises and to executives of the Company and of its majority-owned enterprises (agenda item 8) is repealed with effect from the date on which the amendment to the Articles of Association resolved under (c) above is entered into the commercial register.

**Report of the Board of Management to the Annual General Meeting on agenda item 6**

In 2014, Deutsche Post AG established a long-term incentive plan for executives by issuing what are known as Performance Share Units. Performance Share Units are rights linked to the share price which are serviced using shares of the Company once the waiting period has expired. Settlement by payment for Performance Share Units is only envisaged if the Company itself chooses the payment option. Following the issue of shares, the beneficiaries can decide whether they wish to remain invested in the Company as shareholders or sell the shares on the stock market. The Company's shareholder base is generally thus strengthened and its equity boosted. The Company avoids a liquidity outflow. In the Company's financial reporting, the personnel expense related to the Performance Share Plan can be presented consistently and free from share price fluctuations in the intervening period.

The purpose of this long-term component in the variable remuneration based on a set performance period of several years is to incentivize executives to contribute to the sustainable corporate development of the Company and to benefit from share price increases. The long-term structure promotes the loyalty to the Company. Variable remuneration based on the Company's share price strengthens the confidence of capital markets in the Company and its Management.

Participation in the Performance Share Plan is open 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 RCS (Role Classification System) grades B through F. The Role Classification System (RCS) is the Group-wide classification system for the roles of the executives. At present, approximately 2,100 of the Group's executives are allocated to the RCS grades mentioned. The Board of Management determines the specific group of beneficiaries and the

amount of Performance Share Units to be granted to each beneficiary by stipulating the relevant criteria or making the selection itself. The Performance Share Units may also be issued by majority-owned enterprises of the Company, subject to the consent of the Board of Management. In this case, the Board of Management is authorized to grant new registered shares in the Company to the holders of the Performance Share Units in accordance with the before mentioned conditions. This is in keeping with the objective of implementing a uniform incentive program for executives within the entire Group through the Performance Share Plan. When issuing Performance Share Units to executives of majority-owned enterprises of the Company, the Board of Management shall coordinate with the governing bodies of those enterprises. The Group's executives also include members of the management bodies of majority-owned enterprises of the Company. A total of up to 30% of the Performance Share Units may be issued to these executives. If such executives are not only members of the management body of one of the Company's majority-owned enterprises but are also executives of the Company or a Group company, they shall not receive a double-allocation of Performance Share Units. Participation in the Performance Share Plan by members of the Board of Management is not envisaged (refer to the information on the structure of remuneration for the Board of Management in the 2017 Annual Report, p. 40 et seqq.). In order to facilitate settlement, the Performance Share Units and/or the shares to be issued after expiry of the waiting period can be taken over by a credit institution subject to the stipulation that, on instruction by the Company, these Performance Share Units and/or shares are transferred to the beneficiaries.

The Contingent Capital 2018/1 amounts to EUR 12,000,000, which corresponds to approximately 0.98%\* of the Company's share capital. It thus remains significantly below the statutory maximum limit of 10% of the share capital. The Board of Management will ensure that the total volume of compensation commitments also taking into account other remuneration programs, the terms of which stipulate that their servicing must be carried out using the Company's shares or which are linked to the Company's share price, does not exceed 5% of the Company's share capital.

Based on current planning, subscription rights are to be granted in annual tranches. The tranches are expected to be approximately equal in size. However, the Board of Management reserves the right to decide on the granting of subscription rights and the size of the individual tranches on an annual basis, based on consideration of the Company's overall situation. In addition, the tranche size may fluctuate from year to year, for example if the number of participating executives changes as a result of a company acquisition, or also due to other circumstances.

Shares shall not be issued from Contingent Capital 2018/1 within four years following the issue of the Performance Share Units. The issue of shares is subject to achievement of the predetermined performance targets as set out in the authorization resolution. The performance targets are based on the Deutsche Post share price. The Performance Share

Plan provides for absolute and relative performance targets. Absolute performance targets are measured only according to the development of the Company's share price during the four-year waiting period. Relative performance targets are based on a comparison between the share price performance of Deutsche Post shares and a comparable index; however, a prerequisite here is an absolute increase of the shares' stock exchange price. STOXX Europe 600 Index (SXXP, price index) is the selected comparable index. This index represents the shares of 600 companies from 17 European countries and is one of the STOXX Benchmark indices. It covers a wide range of European shares making it a suitable benchmark for the performance of European stock markets. If the stock exchange price cannot be raised during the waiting period then the issue of the shares regarding the subscription rights linked to the relative performance targets, even if the relative performance targets have been achieved, depends on whether the stock exchange price is raised as compared to the initial price within two years after expiry of the waiting period. If this is not the case, the Performance Share Units lapse without entitlement to substitution or compensation. The absolute as well as the relative performance targets are split into different levels: higher performance increases the number of subscription rights to be serviced. If not all performance targets are met, this results in a reduction in the number of subscription rights to be serviced. The benefit linked to the Performance Share Units is limited by a cap: the number of subscription rights to be serviced is reduced if and to the extent that the final remuneration amount exceeds the total remuneration amount of the Performance Share Units issued to the beneficiary in the tranche by more than 200 percent on the issue date.

If the prerequisites for the share issuance are fulfilled, shares are issued immediately. An exercise notice from the executives entitled to subscription (beneficiaries) is not required. The beneficiaries cannot decide on an individual basis at which point in time the shares are issued. The administrative expense for settling the subscription rights over several exercise periods is eliminated. In addition, no cases occur in which the servicing of the subscription rights gives rise to a conflict with statutory prohibitions on insider trading. In order to exclude the influence of short-term fluctuations in price, the stock exchange price is not determined by closing prices; it is instead calculated as the non-volume-weighted average closing price of the Company's share in the Xetra trading system (or a comparable successor system) on the Frankfurt Stock Exchange on the preceding twenty or sixty trading days, respectively.

The Board of Management is authorized to stipulate the further specifications for the granting and settlement of subscription rights in addition to the issuing of shares from the contingent capital, including provisions governing the handling of Performance Share Units if, on expiration of the waiting period, beneficiaries are no longer in an ongoing service or employment relationship with the Company or with any of the Company's majority-owned enterprises. Given that the purpose of the Performance Share Plan also is to promote the loyalty of executives to the Company, the intention is to make the servicing of subscription rights generally dependent on the beneficiary

being in an ongoing service or employment relationship with the Company or with any of the Company's majority-owned enterprises upon expiry of the waiting period. However, the Board of Management would like to have the flexibility to decide in which cases exceptions may be made. For example, it stands to reason that it be stipulated in the provisions governing the subscription that the retirement of a beneficiary not result in the lapse of subscription rights.

The Company wishes to gain a high degree of flexibility through the Performance Share Plan. The Company therefore, instead of delivering new shares from the Contingent Capital 2018/1, reserves the right to pay the remuneration amount or to deliver own shares that it already holds or that it acquires for this purpose. Payment of the remuneration amount may lead to a net cash outflow but avoids the share dilution entailed by issuing new shares. The issuance of new shares is also avoided by servicing subscription rights using own shares. If the price situation is favorable, the acquisition of own shares can be preferable to the issuance of new shares from the contingent capital. This would require the Company's shareholders' right to subscribe to own shares to be excluded. The Board of Management is convinced that the proposed authorization to issue Performance Share Units to members of management of the Company's majority-owned enterprises and executives of the Company and its majority-owned enterprises is a particularly suitable method of creating a long-term performance incentive for the executives of Deutsche Post DHL and, in the interest of the Company and its shareholders, thus achieving a lasting and sustainable increase in the Company's enterprise value.

In total, the Company currently has an authorized capital of EUR 160 million and three contingent capitals. The contingent capitals 2011, 2014 and 2017 have been created for servicing convertible bonds and claims to remuneration of employees, respectively. According to current calculations, it is to be expected that the contingent capitals will be utilized to a maximum of EUR 22.85 million for servicing convertible bonds and to a maximum of EUR 14.14 million for servicing claims to remuneration, corresponding to a proportion of 1.86% and 1.15% of the share capital, respectively. The proposed new contingent capitals 2018 for servicing convertible bonds and claims to remuneration of employees, respectively, in the amount of EUR 33 million and EUR 12 million, respectively, correspond to a proportion of 2.68% and 0.98% of the share capital, respectively. When taking into account the presumably maximum utilization of the existing contingent capitals, the existing and proposed capitals shall allow shares to be issued in an amount totaling up to EUR 241.9 million, corresponding to a proportion of 19.69% of the share capital.

\*Unless specified otherwise, any references to the Company's share capital refer to February 19, 2018 (resolution of the Company's Board of Management on the resolution recommendation to the Annual General Meeting).

**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 (Contingent Capital 2018/2) as well as amendment of the Articles of Association**

The Board of Management has partially utilized, with the consent of the Supervisory Board, the current authorization, dated April 28, 2017, for the Board of Management to issue bonds with warrants, convertible bonds and/or participating bonds and profit participation certificates (or combinations of these instruments) by issuing a total of 10,000 convertible bonds in the total nominal amount of EUR 1,000,000,000. The largely utilized authorization, dated April 28, 2017, to issue bonds with warrants, convertible bonds and/or participating bonds and profit participation certificates (or combinations of these instruments) shall be revoked and replaced with a new authorization.

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**

**(1) 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 23, 2021, 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 33,000,000 registered shares of the Company representing a proportionate interest in the share capital totaling up to EUR 33,000,000 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.



## (2) 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) of the German Banking Act (*Kreditwesengesetz*, "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 that 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.

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 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 complete utilization, other authorizations already existing at the time the resolution on this authorization is taken to issue new shares of the Company or to issue rights that allow, or create an obligation, to subscribe to new shares of the Company are used and statutory subscription rights of the shareholders are excluded, the issued shares or rights to subscribe to shares shall be counted toward the above threshold, unless the issue of the shares or rights to subscribe to shares serves the servicing of share-based remuneration programs. Shares being issued based on convertible bonds already being issued are as well taken into account if the convertible bonds have been issued under exclusion of the statutory subscription right of the shareholders.

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 granting subscription rights to 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).

**(3) 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.

**(4) 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.

**(5) 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.

**(6) 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 up to 20% below the share price at the time of the Board of Management's resolution to issue the bonds. The relevant 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 five trading days prior to the date of the Board of Management's resolution to issue the bonds.

## **(7) 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.

## **(8) 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 shall be contingently increased by up to EUR 33,000,000 through the issue of up to 33,000,000 no-par value registered shares (Contingent Capital 2018/2). 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 24, 2018. 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 24, 2018. 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 24, 2018 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 shall be 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**

The following new paragraph 7 is entered in Section 5 of the Articles of Association, following Section 5 (5) and following the insertion of a new paragraph 6 (Contingent Capital 2018/1) proposed under agenda item 6:

"The share capital is contingently increased by up to EUR 33,000,000 through the issue of up to 33,000,000 no-par value registered shares (Contingent Capital 2018/2). 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 24, 2018. 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 24, 2018. 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 24, 2018 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."

Section 5 (6) through (9) of the Articles of Association in the currently applicable version becomes Section 5 (8) through (11) of the Articles of Association.

**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 April 28, 2017**

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 April 28, 2017, 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 aforementioned 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 33,000,000 afford the Company the option of financing its activities quickly and flexibly via capital markets in the following three years by issuing the aforementioned instruments. The proposed authorization is intended to replace the partially utilized authorization dated April 28, 2017. 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 Contingent Capital 2018/2 in the amount of EUR 33,000,000 proposed by the Board of Management and the Supervisory Board corresponds to approximately 2.68%\* of the share capital. It does by far not exhaust the statutory scope of 50% of share capital – even if added together with other amounts of contingent 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 complete utilization, other authorizations already existing at the time the resolution on this authorization is taken to issue new shares of the Company or to issue rights that allow, or create an obligation, to subscribe to new shares of the Company are used and statutory subscription rights of

the shareholders are excluded, the issued shares or rights to subscribe to shares shall be counted toward the above threshold, unless the issue of the shares or rights to subscribe to shares serves the servicing of share based remuneration programs. Shares being issued based on convertible bonds already being issued are as well taken into account if the convertible bonds have been issued under exclusion of the statutory subscription right of the shareholders.

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 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 33,000,000 corresponds to only approximately 2.68% of the Company's share capital. However, shares and subscription rights to 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 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 that 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.

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 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 conducted 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 an authorized capital of EUR 160 million and three contingent capitals. The contingent capitals 2011, 2014 and 2017 have been created for servicing convertible bonds and claims to remuneration of employees, respectively. According to current calculations, it is to be expected that the contingent capitals will be utilized to a maximum of EUR 22.85 million for servicing convertible bonds and to a maximum of EUR 14.14 million for servicing claims to remuneration, corresponding to a proportion of 1.86% and 1.15% of the share capital, respectively. The proposed new contingent capitals 2018 for servicing convertible bonds and claims to remuneration of employees, respectively, in the amount of EUR 33 million and EUR 12 million, respectively, correspond to a proportion of 2.68% and 0.98% of the share capital, respectively. When taking into account the presumably maximum utilization of the existing contingent capitals, the existing and proposed capitals shall allow shares to be issued in an amount totaling up to EUR 241.99 million, corresponding to a proportion of 19.69% of the share capital.

\*Unless specified otherwise, any references to the Company's share capital refer to February 19, 2018 (resolution of the Company's Board of Management on the resolution recommendation to the Annual General Meeting).

## 8. Approval of the remuneration system for the members of the Board of Management

The remuneration system for the members of the Board of Management is presented in detail in the remuneration report (p. 40 et seqq. of the Annual Report). The remuneration report is available on the Company's website at [www.dpdhl.com/agm](http://www.dpdhl.com/agm) and will also be accessible during the Annual General Meeting.

The Board of Management and the Supervisory Board propose approval of the remuneration system for the members of the Board of Management.

## 9. Elections to the Supervisory Board

The term of office of Prof. Dr. Wulf von Schimmelmann will expire as planned at the close of the Annual General Meeting on April 24, 2018. He is not available for re-election. Dr. Ulrich Schröder has resigned from office for health reasons. Two shareholder representatives must therefore be newly elected. The elections to the Supervisory Board are intended to be conducted on an individual basis.

Taking into account the objectives resolved by the Supervisory Board regarding its composition (profile of qualifications) and based on the recommendation of the Nomination Committee, the Supervisory Board proposes that

- a) Dr. Günther Bräunig, Frankfurt am Main  
CEO of KfW Bankengruppe,

and

- b) Dr. Mario Daberkow, Wendeburg  
Member of the Board of Management of Volkswagen Financial Services AG,

be elected as members of the Supervisory Board each for the period that expires at the close of the Annual General Meeting that resolves upon the approval of actions for fiscal year 2022.

In accordance with Sections 96 (1) and (2) sentence 1, 101 (1) of the German Stock Corporation Act (*Aktiengesetz*, "AktG"), Section 7 (1) sentence 1 No. 3 of the German Co-Determination Act (*Gesetz über die Mitbestimmung der Arbeitnehmer*) dated May 4, 1976, and Section 10 (1) of the Articles of Association, the Supervisory Board of Deutsche Post AG is composed of ten shareholder representatives and ten employee representatives, at least 30 percent of whom must be women and at least 30 percent

of whom must be men. The Company's Supervisory Board must have at least six female and six male members to meet the statutory minimum quota (Section 96 (2) sentence 1 AktG). The statutory minimum quota of 30 percent shall be met by the Supervisory Board as a whole, since neither the shareholder representatives nor the employee representatives objected to meeting the quota on a plenary basis. The composition of the Supervisory Board already meets the statutory minimum quota requirements for men and women without taking into account the persons standing for election today.

More information on the candidates is provided after the further information on the convening of the Annual General Meeting below.

### **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 1,229,225,423 divided into 1,229,225,423 no-par value voting shares, each of which grants one vote. The total number of voting rights thus amounts to 1,229,225,423 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 17, 2018 (inclusive) by post, fax, or using the online service are entitled to attend the Annual General Meeting and exercise their voting rights – in person or by proxy.

Postal address:

Hauptversammlung Deutsche Post AG,  
c/o ADEUS Aktienregister-Service-GmbH,  
20716 Hamburg, Germany

Fax:

+49 (0)228 182 63631

Online service:

[www.dpdhl.com/agm](http://www.dpdhl.com/agm)

(Please note the terms and conditions, which may be accessed at the website indicated above – in particular the fact that registrations and actions submitted via the online service in principle take priority.)

Shareholders will receive the access code enabling them to use the online service with the invitation to the Annual General Meeting. 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 or by using the online service (see above). Registrations may also be submitted by proxy. Registrations will be deemed to be on time if received by the Company on time.

You may use the reply form to order an admission ticket for yourself or for a third party, cast your votes by postal ballot or issue proxy for, and voting instructions to, the designated proxies of the Company. In these cases, please return the reply form only to the address or fax number indicated above.

If you wish to issue proxy for, and 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 also use the online service to order an admission ticket for yourself or for a third party, cast your votes by postal ballot, issue 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 submit proof of proxy granted to a third party.

Timely registration also allows shareholders to decide at short notice to exercise their rights, either in person or by proxy, at the Annual General Meeting. Participation at the Annual General Meeting is deemed to be a revocation of 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 17, 2018, by midnight, 24:00 CEST, until the end of the Annual General Meeting. Therefore, on the day of the Annual General Meeting, the share register reflects the registration status as of April 17, 2018, by midnight, 24:00 CEST.

### 3. Procedure for voting by postal ballot

Shareholders who are entitled to vote may also exercise their voting rights by submitting a postal ballot. You can do so by using the reply form enclosed with the invitation or the online service (see above). Unless you are using the online service, postal ballots must be returned only to the postal address or fax number indicated above. Postal ballots must be received by April 17, 2018 (inclusive), unless you have previously registered to attend the Annual General Meeting in person by ordering an admission ticket for yourself. They may subsequently be amended before the end of the shareholders' debate on the day of the Annual General Meeting.

Any votes submitted 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. If separate votes are held on agenda item 3 and/or agenda item 4 (Approval of the actions of the members of the Board of Management and the Supervisory Board, respectively), any votes submitted relating to these agenda items shall apply *mutatis mutandis* to the separate votes.

### 4. Procedure for voting by proxy

Shareholders who are entitled to vote may 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 the invitation provides for a simplified procedure, proxies must be issued and revoked in text form; likewise, proof of proxy and proof of revocation toward the Company must be submitted in text form. To issue a proxy, please use the reply form that the Company enclosed with the invitation or the online service (see above). 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. 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 issuing 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 (see above).

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 or the online service (see above) are at your disposal. Unless you are using the online service, the proxy and voting instructions must be returned only to the postal 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. If separate votes are held on agenda item 3 and/or agenda item 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* to the separate votes.

Proxy and voting instructions issued to the designated proxies of the Company must be received by April 17, 2018 (inclusive). If you have 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. The online service does not provide this option. If you have issued proxy for, and voting instructions to, the designated proxies of the Company in a timely manner, the instructions may be amended before the end of the shareholders' debate on the day of the Annual General Meeting.

## **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 289a (1), 315a (1) HGB and the report by the Supervisory Board for fiscal year 2017, 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 and 7 will be available to you on the Company's website at [www.dpdhl.com/agm](http://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](http://www.dpdhl.com/agm).

## 6. Broadcast of the Annual General Meeting

The Annual General Meeting will be broadcast online at [www.dpdhl.com/agm](http://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

Fax:

+49 (0)228 182 63199

E-mail:

[hauptversammlung@dpdhl.com](mailto:hauptversammlung@dpdhl.com)

We will publish motions and election proposals which are received by midnight, 24:00 CEST, of April 9, 2018, and which must be made available, without undue delay at [www.dpdhl.com/agm](http://www.dpdhl.com/agm). 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 24, 2018. Please address this type of inquiry to the Board of Management of Deutsche Post AG:

Postal address:

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

Fax:

+49 (0)228 182 63199

E-mail:

[hauptversammlung@dpdhl.com](mailto: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](http://www.dpdhl.com/agm).

**Bonn, March 2018**  
**Deutsche Post AG**  
**The Board of Management**

**Information on agenda item 9 (Elections to the Supervisory Board), in particular pursuant to Section 125 (1) sentence 5 AktG and pursuant to No. 5.4.1 (5) sentence 2, (6-8) of the German Corporate Governance Code:**

**Dr. Günther Bräunig:**

**Personal Data**

Year of birth:	1955
Nationality:	German
Date of first appointment:	4/2018
Current term:	Annual General Meeting 2018–2023

**Expertise / Focus**

CEO of KfW Bankengruppe; Chairman of the Supervisory Board of Deutsche Pfandbriefbank AG; Expertise in the fields of capital markets, international financing, law and human resources

**Current function and professional career**

since 2018	CEO, KfW Bankengruppe
2017	Deputy CEO, KfW Bankengruppe
2007–2008	CEO of IKB AG (assignment to the Board of Management of KfW remained dormant during this time)
2006–2017	Member of the Board of Management, KfW Bankengruppe
2000–2006	General representative, KfW Bankengruppe
1996–2000	Senior Vice President secretariat of management affairs, KfW Bankengruppe
1989–1996	Engaged as First Vice President international capital markets, credit secretariat and business policy, KfW Bankengruppe, during this time
1986–1989	Aircraft financing, Airbus Group, Toulouse and Washington D.C.
1984–1986	Investment banking, Commerzbank AG

**Education**

1981–1983	Trainee lawyer, Wiesbaden district court
1980–1982	Doctorate in law, University of Mainz
1975–1980	Studied Law, Universities of Mainz and Dijon

**Membership of German statutory supervisory boards or of comparable supervisory bodies of German or foreign commercial enterprises:**

Deutsche Pfandbriefbank AG (Chairman of Supervisory Board)

**Material further functions in addition to the Supervisory Board membership**

True Sale International GmbH (Chairman of shareholders' advisory board)

In the appraisal of the Supervisory Board, no personal or business relations exist between Dr. Günther Bräunig – nominated under agenda item 9 for election to the Supervisory Board – and Deutsche Post AG or its group companies, the governing bodies of Deutsche Post AG or a shareholder holding a material interest in Deutsche Post AG which an objectively judging shareholder would consider decisive for his election decision, except for the fact that Dr. Günther Bräunig is CEO of KfW Bankengruppe which at the time of the publication of this information has an interest of around 20.7% in the share capital of Deutsche Post AG.

**Dr. Mario Daberkow:**

**Personal Data**

Year of birth:	1969
Nationality:	German
Date of first appointment:	4/2018
Current term:	Annual General Meeting 2018–2023

**Expertise / Focus**

Membership in governing bodies of international financial service providers, information technology, IT security, digital transformation

**Current function and professional career**

since 2013	Member of the Board of Management of Volkswagen Financial Services AG
2002–2013	Deutsche Postbank AG Various positions, as of 2005 general representative as well as Member of the Board of Management
2003–2008	additionally division manager pension service, Deutsche Post AG
1996–2002	McKinsey & Company
1993–1996	Research assistant at TU-Berlin

**Education**

1995	Doctorate in mathematics, Technical University Berlin
1993	Degree in mathematics, Heinrich-Heine-University, Düsseldorf
1988	Abitur, Leibniz-Gymnasium Dormagen

**Membership of German statutory supervisory boards or of comparable supervisory bodies of German or foreign commercial enterprises:**

Volkswagen Participações Ltda., Brazil (Supervisory Board)

Volkswagen Holding Financière S.A., France (Supervisory Board)

Volkswagen Finance Luxembourg II S.A., Luxembourg (Chairman of the Supervisory Board)

In the appraisal of the Supervisory Board, no personal or business relations exist between Dr. Mario Daberkow – nominated under agenda item 9 for election to the Supervisory Board – and Deutsche Post AG or its group companies, the governing bodies of Deutsche Post AG or a shareholder holding a material interest in Deutsche Post AG which an objectively judging shareholder would consider decisive for his election decision. As a precautionary matter, it is pointed out that Deutsche Post DHL Group obtains delivery and company vehicles also from Volkswagen.

























Deutsche Post AG  
Zentrale  
Investor Relations  
53250 Bonn

**Deutsche Post DHL  
Group**

