



DHL Supply Chain to invest EUR 500 million (INR 4000 Crores) in India to further boost capacity, workforce and sustainability initiatives

- **Warehousing space to increase by 12 million square feet, to reach a total capacity of about 22 million square feet by 2026**
- **Doubling of the workforce in India to reach approximately 25,000 by 2026**
- **Converting entire intra-city fleet into green fuel and electric vehicles by 2025**
- **Investment-friendly environment in India makes it a preferred place for DHL and a priority market for its contract logistics business**

Mumbai, September 14, 2022 : DHL Supply Chain (DHL), the global market leader for contract logistics solutions, today announced an investment of EUR 500 million in India over the next five years to significantly grow its warehousing capacity, workforce and sustainability initiatives in the country. With this investment, DHL will own and operate wholly-owned large multi-client sites in India, adding twelve million square feet of warehousing space to the Group's existing portfolio.

The increased warehousing capacity is targeted to effectively cater to growing sectors such as e-commerce, retail, consumer, life sciences, technology, engineering and manufacturing as well as automotive. These warehouses will be enabled with accelerated digital technology solutions including Assisted Picking Robots, Indoor Robotic Transport, Intelligent Process Automation, Wearable Devices, Voice Picking, Inventory Management Robots and Algorithmic Optimizations.

“Despite the current, economic and geopolitical uncertainties in the world, we see enormous growth potential in the Asia Pacific region, with India making a significant contribution. As a dynamic, stable and fast-growing economy, the Indian nation plays a key role for the global economy. Its investment-friendly and entrepreneurial environment makes India a preferred place for Deutsche Post DHL Group to even accelerate its investments. With a rich pool full of highly qualified young talents and innovative digital entrepreneurs India is a favourite hub for our global contract logistics business in DHL Supply Chain and one of our priority markets,” said Oscar de Bok, CEO, DHL Supply Chain.

Investing in infrastructure for current and future customers

DHL Supply Chain India will add twelve million square feet of capacity in wholly-owned DHL multi-client sites in key metro cities such as Bangalore, Chennai, Kolkata, Mumbai, National Capital Region (NCR) and Pune. These cities are among the top contributors to India's overall Gross Domestic Product (GDP). Furthermore, multi-client sites are being built in the fast-growing state capitals and tier 2 cities



such as Ambala, Baddi, Cochin, Coimbatore, Guwahati, Sanand, Hyderabad, Jaipur, Indore, Lucknow, Bhubaneswar, Hosur, and Visakhapatnam.

DHL Supply Chain India will also open two new Business Support Centers (BSC) in Bangalore and Pune within the next 12-18 months to support customer demand. Currently, the company runs three Business Support Centers (BSC) at Mumbai, Gurgaon and Chennai. These BSCs provide 24x7 value-added services including domestic and international Transport Control Towers, Business Analytics to support decision-making, Freight Bill Audit Payment (FBAP), Order to Cash (O2C), LLP Control Towers and similar support services to its customers in India and across the globe.

Creating employment opportunities

To support its strategic expansion plans in the country, the company plans to augment its workforce by doubling the size to 25,000 employees by 2025. Investment in Skill Development and Resourcing Centers is being undertaken to induct and train employees with certification programs to prepare them for work processes changes brought about by rapid transformations and digitalization in the industry. The first Resourcing Center has been opened in Bangalore with more to follow in Mumbai, Delhi, Chennai and Kolkata.

Transportation

DHL Supply Chain's SmarTransport division will also leverage its warehouse investments to further accelerate transport growth by providing strategic, scalable solutions to large customers enabling economies of scale with end-to-end service offerings. Through its asset-heavy and asset-light model, DHL Supply Chain currently offers the full suite of transport solutions include Full Truck Load (FTL), Part Truck Load (PTL), "milk runs", secondary transport, intra-city and inter-city air movements.

GoGreen

In support of the DPDHL's roadmap to have climate-neutral logistics by 2030, DHL Supply Chain India will be converting its entire intra-city fleet into Green fuel / EV versions by 2025. In fact, by the end of 2022, 100% of the two-wheeler fleet will be converted to EVs. Furthermore, all new sites will implement green features, including solar panels for electricity, rainwater harvesting, LED lights, smart meters, etc.

"Asia Pacific currently accounts for about 15 percent of DHL Supply Chain's global revenue but is among the fastest growing regions, with India being a key contributor to this growth. The Indian logistics market, worth over US\$200 billion now, is expected to grow at about 10% per year in the next five years to reach around US\$330 billion. We take a long-term view in India with businesses here having reasons to be optimistic," said Terry Ryan, CEO, DHL Supply Chain Asia Pacific.

Press release



In recent years, the government has also increased efforts to improve the country's logistics performance, boost trade and safeguard foreign investment – in particular, expenditure on logistics is expected to reach USD\$500 billion annually by 2025. A Logistics division was recently established to introduce positive changes to existing procedures and bring related technology and innovation to maximize efficiency.

Vikas Anand, Managing Director, DHL Supply Chain India Pvt. Ltd said, “Building up large multi-client sites with efficient end-to-end transport solutions along with value-added services run by highly skilled employees allows us to maximize operational efficiency and puts us in a strong position to scale according to what our customers need, across various sectors. As one of the best places to work in India, we will continue to invest in our people, to deliver the best service quality to our customers.”

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DHL – The logistics company for the world

DHL is the leading global brand in the logistics industry. Our DHL divisions offer an unrivalled portfolio of logistics services ranging from national and international parcel delivery, e-commerce shipping and fulfillment solutions, international express, road, air and ocean transport to industrial supply chain management. With about 380,000 employees in more than 220 countries and territories worldwide,

Press release



DHL connects people and businesses securely and reliably, enabling global sustainable trade flows. With specialized solutions for growth markets and industries including technology, life sciences and healthcare, engineering, manufacturing & energy, auto-mobility and retail, DHL is decisively positioned as “The logistics company for the world”.

DHL is part of Deutsche Post DHL Group. The Group generated revenues of more than 81 billion euros in 2021. With sustainable business practices and a commitment to society and the environment, the Group makes a positive contribution to the world. Deutsche Post DHL Group aims to achieve net zero-emissions logistics by 2050.