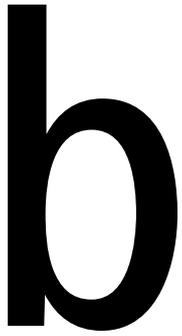


# CORPORATE GOVERNANCE

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## CORPORATE GOVERNANCE

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# REPORT OF THE SUPERVISORY BOARD



**WULF VON SCHIMMELMANN**  
Chairman

## DEAR SHAREHOLDERS,

In the 2013 financial year, Deutsche Post DHL performed well in what continued to be a challenging economic environment in its capacity as provider, investment and employer of choice in its market.

### **Advising and overseeing the Board of Management**

In 2013, the Supervisory Board scrutinised Group and divisional strategy and results in light of the global economic situation at five Supervisory Board meetings and one closed meeting. To this end, the Board of Management provided the Supervisory Board with detailed up-to-date information on the situation and performance of the Group, strategic initiatives and key business transactions, the development of acquisitions, compliance management, as well as risk exposure and risk management, and issues related to planning and implementation. Between meetings, the Chairman of the Supervisory Board was also kept abreast of ongoing developments.

Measures requiring the consent of the Supervisory Board were discussed in even greater depth, and in advance by the relevant committees. The results of the deliberations were presented by the respective committee chairs in the plenary meetings.

### Five meetings during the reporting year

Three Supervisory Board meetings took place during the first half of the year and two in the second. All members participated in at least 50% of the meetings. The overall participation rate exceeded 90%.

At the financial statements meeting on 4 March 2013, with the auditors in attendance, the annual and consolidated financial statements and the management reports for 2012 were discussed in detail and approved. After a thorough review, we endorsed the Board of Management's proposal for the appropriation of the unappropriated surplus for the 2012 financial year. At this meeting, the Board of Management's achievement of its targets for the 2012 financial year was also assessed and the Supervisory Board's proposed resolutions for the Annual General Meeting (AGM) were adopted. In addition, we discussed the outcome of the review on the efficiency of the Supervisory Board's work. The Supervisory Board also looked in detail at EXPRESS aviation strategy at this meeting.

As a number of members of the Supervisory Board had previously been re-elected, an extraordinary meeting of the Supervisory Board was held immediately after the Deutsche Post AG AGM on 29 May 2013, where the members of the Supervisory Board re-elected Andrea Kocsis as deputy chair and me as chairman of the Supervisory Board. The meeting also confirmed the positions of all committee members. Details of the current members of the Supervisory Board committees are shown on page 113.

At the meeting of the Supervisory Board on 27 June 2013, we discussed measures aimed at optimising Deutsche Post AG's investment portfolio. Matters relating to the Board of Management were also dealt with at this meeting, in particular the remuneration of its members and the extension of Roger Crook's appointment to the Board and of his contract for a further five years. We also considered the New Forwarding Environment (NFE) strategic project within the Global Forwarding business unit in great detail. Under the new IT-based operating model, Global Forwarding will become a single, internationally homogeneous organisation, with a clear customer focus, efficient processes and high standards of quality.

On 24 September 2013, Directors' Day, selected speakers were invited to provide basic and further training to the members of the Supervisory Board. At the meeting of the Supervisory Board that followed, changes in the regulatory environment were the main focus of discussions. The Supervisory Board also discussed the Group's external image in the market, with the help of external guest speakers, specialising in the fields of customers, investors, media and the labour market. On 25 September 2013, the current status of Strategy 2015 implementation within the Group and the divisions was the main point on the agenda.

The Supervisory Board's final meeting of 2013 was held on 13 December. Following extensive discussions, we adopted the 2014 business plan and also considered various aspects of the Board of Management's remuneration. Furthermore, the Board of Management's targets for 2014 were set and the formation of a Strategy Committee agreed upon. Following in-depth discussions, we again submitted an unqualified Declaration of Conformity with the German Corporate Governance Code.

### Hard work by the committees

The Executive Committee met four times during the year under review. Meeting agendas focused primarily on matters relating to the Board of Management and preparations for the respective Supervisory Board meetings.

The Personnel Committee also met four times and considered the reorganisation of the Human Resources board department, diversity management and activities in the areas of training, health and employee commitment. The committee received ongoing updates regarding the progress of the One HR programme, which is reorganising the content and structure of the Group's personnel activities. It also considered the remuneration structure for executives. The annual employee opinion survey was also discussed.

The Finance and Audit Committee met seven times. Its chairman, Hero Brahms, and Stefan Schulte are financial experts as defined by sections 100 (5) and 107 (4) of the *Aktiengesetz* (AktG – German Stock Corporation Act). At its meeting in February, the committee examined the annual and consolidated financial statements for 2012 and recommended that these be approved by a plenary meeting of the Supervisory Board. The auditors took part in this meeting and gave a detailed presentation on their findings regarding the key audit priorities set by the committee for 2012, along with recommendations arising from their findings. Following the AGM, the Finance and Audit Committee engaged the auditors to perform an audit of the 2013 annual and consolidated financial statements and the interim financial report for the first half of the year. The committee also defined the key audit priorities. In advance of their publication, the reviewed quarterly financial reports and the interim financial report for the first half of the year were discussed by the committee together with the Board of Management and the auditors. The main risk factors for the Group were also discussed at the February meeting as planned.

At its meeting on 20 June 2013, the Finance and Audit Committee considered the planned acquisition of companies and holdings aimed at optimising Deutsche Post AG's investment portfolio. The committee received ongoing updates about other acquisitions and disposals throughout the year. The committee's deliberations included the acquisition of optivo GmbH, a leading German provider of e-mail marketing services. The results of internal audits were also discussed by the committee.

At its meeting on 13 September 2013, the Finance and Audit Committee received a detailed progress report on compliance organisation and compliance management from the Chief Compliance Officer. The main risk factors for the Group were also discussed further.

On 4 December 2013, the Finance and Audit Committee considered the Group's investment strategy for pension assets as well as equity transactions. It also examined the business plan for 2014 and approved both the 2014 internal audit plan and the sale of property in Hamburg. The committee regularly discussed the Group's business development and the internal control and risk management system. The appropriateness of the Group's accounting system was discussed with the auditors by the committee.

The Strategy Committee that was set up in December 2013 will meet for the first time in 2014.

The Nomination Committee met on one occasion in 2013 to consider nominations for the 2014 AGM.

The chairs of the committees reported on the committees' deliberations in the subsequent plenary meetings.

In 2013 there were no meetings of the Mediation Committee, formed pursuant to section 27 (3) of the *Mitbestimmungsgesetz* (MitbestG – German Co-determination Act).

#### **No changes to the composition of the Supervisory Board and Board of Management**

There were no changes to the members of the Board of Management or the Supervisory Board during 2013. At the Deutsche Post AG AGM on 29 May 2013, I was re-elected as a shareholder representative on the Supervisory Board. The end of the AGM also marked the start of a new term of office for the Supervisory Board's employee representatives who were re-elected in April 2013 by the Delegate Assembly, in accordance with the MitbestG. At its extraordinary meeting immediately after the AGM, the Supervisory Board re-elected Andrea Kocsis as deputy chair and I was re-elected as chairman of the Supervisory Board. The meeting also confirmed the positions of all committee members. Details of the current members of the Supervisory Board committees are shown on page 113.

**Managing conflicts of interest**

No conflicts of interest arose during the reporting year.

**Company in compliance with all recommendations of the German Corporate Governance Code**

In December 2013, the Board of Management and the Supervisory Board submitted an unqualified Declaration of Conformity pursuant to section 161 of the AktG and published it on the company's website. The declarations from previous years can also be viewed on this website. In the 2013 financial year, Deutsche Post AG complied with all the recommendations of the Government Commission on the German Corporate Governance Code, as amended on 15 May 2012, and also intends to comply with the recommendations of the code as amended on 13 May 2013. The Corporate Governance Report (page 117 ff.) contains further information on corporate governance within the company and the remuneration report.

**Annual and Consolidated Financial Statements audited**

The auditors appointed by the AGM, PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft (PwC), Düsseldorf, audited the annual and consolidated financial statements for the 2013 financial year, including the respective management reports, and issued unqualified audit opinions. PwC also conducted the review of the quarterly financial reports and the interim report for the first half of the year.

Following a detailed preliminary assessment by the Finance and Audit Committee, the Supervisory Board reviewed the annual and consolidated financial statements and the management reports for the 2013 financial year at the financial statements meeting held on 11 March 2014. The review included the Board of Management's proposal for the appropriation of the unappropriated surplus. The auditors' reports were made available to all Supervisory Board members and were discussed in detail with the Board of Management and the auditors in attendance. The Supervisory Board concurred with the results of the audit and approved the annual and consolidated financial statements for the 2013 financial year. Based on the final outcome of the examination of the annual and consolidated financial statements, of the management reports and of the proposal for the appropriation of the unappropriated surplus by the Supervisory Board and the Finance and Audit Committee, there are no objections to be raised. The Supervisory Board endorses the Board of Management's proposal for the appropriation of the unappropriated surplus and the payment of a dividend of €0.80 per share.

We would like to thank the Board of Management and all employees for their great commitment and ongoing effort to safeguarding the company's continued success. The Supervisory Board is confident that the Group is well on the way to ensuring that it remains profitable in the long term, building on its strong position in the market.

Bonn, 11 March 2014  
The Supervisory Board



Wulf von Schimmelmann  
Chairman

# SUPERVISORY BOARD

## B.01 Members of the Supervisory Board

### Shareholder representatives

**Prof. Dr Wulf von Schimmelmann** (Chair)  
Former CEO of Deutsche Postbank AG

**Hero Brahms**  
Management consultant

**Werner Gatzler**  
State Secretary, Federal Ministry of Finance

**Prof. Dr Henning Kagermann**  
Former CEO of SAP AG

**Thomas Kunz**  
CEO of Danone Dairy, member of the Executive Committee of Danone S.A., France

**Roland Oetker**  
Managing Partner, ROI Verwaltungsgesellschaft mbH

**Dr Ulrich Schröder**  
CEO of KfW Bankengruppe

**Dr Stefan Schulte**  
Chair of the Executive Board of Fraport AG

**Elmar Toime**  
Managing Director, E Toime Consulting Ltd.

**Prof. Dr-Ing. Katja Windt**  
Bernd Rogge Chair of Global Production Logistics

President and Provost/Vice President of Jacobs University Bremen gGmbH

### Employee representatives

**Andrea Kocsis** (Deputy Chair)  
Deputy Chair of ver.di National Executive Board and Head of Postal Services, Forwarding Companies and Logistics on the ver.di National Executive Board

**Rolf Bauermeister**  
Head of Postal Services, Co-determination and Youth and Head of National Postal Services Group at ver.di national administration

**Heinrich Josef Busch**  
Chair of the Group and Company Executive Representation Committee, Deutsche Post AG

**Thomas Koczelnik**  
Chair of the Group Works Council, Deutsche Post AG

**Anke Kufalt**  
Member of the Works Council, DHL Global Forwarding GmbH, Hamburg

**Andreas Schädler**  
Chair of the General Works Council, Deutsche Post AG

**Sabine Schielmann**  
Member of the Executive Board of the General Works Council, Deutsche Post AG

**Stephan Teuscher**  
Section Head of politics referring to tariffs, civil servants and social matters in the department Postal Services, Forwarding Companies and Logistics at ver.di national administration

**Helga Thiel**  
Deputy Chair of the General Works Council, Deutsche Post AG

**Stefanie Weckesser**  
Deputy Chair of the Works Council, Deutsche Post AG, MAIL Branch, Augsburg

## B.02 Committees of the Supervisory Board

### Executive Committee

Prof. Dr Wulf von Schimmelmann (Chair)  
Andrea Kocsis (Deputy Chair)  
Rolf Bauermeister  
Werner Gatzler  
Roland Oetker  
Stefanie Weckesser

### Finance and Audit Committee

Hero Brahms (Chair)  
Stephan Teuscher (Deputy Chair)  
Werner Gatzler  
Thomas Koczelnik  
Dr Stefan Schulte  
Helga Thiel

### Personnel Committee

Andrea Kocsis (Chair)  
Prof. Dr Wulf von Schimmelmann (Deputy Chair)  
Thomas Koczelnik  
Roland Oetker

### Mediation Committee (pursuant to section 27(3) of the German Co-determination Act)

Prof. Dr Wulf von Schimmelmann (Chair)  
Andrea Kocsis (Deputy Chair)  
Rolf Bauermeister  
Roland Oetker

### Nomination Committee

Prof. Dr Wulf von Schimmelmann (Chair)  
Werner Gatzler  
Roland Oetker

### Strategy Committee (since 13 December 2013)

Prof. Dr Wulf von Schimmelmann (Chair)  
Andrea Kocsis (Deputy Chair)  
Rolf Bauermeister  
Prof. Dr Henning Kagermann  
Thomas Koczelnik  
Dr Ulrich Schröder

# BOARD OF MANAGEMENT



**KEN ALLEN**  
EXPRESS

Born in 1955  
Member since February 2009  
Appointed until February 2017

**BRUCE EDWARDS**  
SUPPLY CHAIN

Born in 1955  
Member since March 2008  
Appointed until March 2016

**ROGER CROOK**  
GLOBAL FORWARDING,  
FREIGHT

Born in 1957  
Member since March 2011  
Appointed until March 2019

**ANGELA TITZRATH**  
HUMAN RESOURCES

Born in 1966  
Member since May 2012  
Appointed until April 2015



**DR FRANK APPEL**  
CHIEF EXECUTIVE OFFICER  
Born in 1961  
Member since November 2002,  
CEO since February 2008  
Appointed until October 2017

**LAWRENCE ROSEN**  
FINANCE,  
GLOBAL BUSINESS SERVICES  
Born in 1957  
Member since September 2009  
Appointed until August 2017

**JÜRGEN GERDES**  
MAIL  
Born in 1964  
Member since July 2007  
Appointed until June 2015

# MANDATES

## 8.03 Mandates held by the Board of Management

| Membership of supervisory boards required by law | Membership of comparable bodies   |   |
|--|---|---|
| <b>Lawrence Rosen</b><br>Deutsche Postbank AG    | <b>Ken Allen</b><br>DHL-Sinotrans International Air Courier Ltd <sup>1</sup> ,<br>China (Board of Directors)                      | <b>Bruce Edwards</b><br>Ashtead plc, UK (Board of Directors)<br>Greif, Inc., USA (Board of Directors) |
|  | <b>Roger Crook</b><br>DHL Global Forwarding Management<br>(Asia Pacific) Pte Ltd <sup>1</sup> , Singapore<br>(Board of Directors) | <b>Williams Lea Group Limited<sup>1</sup></b> , UK<br>(Board of Directors)                            |
|  |   | <b>Williams Lea Holdings PLC<sup>1</sup></b> , UK<br>(Board of Directors, Chair)                      |
|  |   | <b>Lawrence Rosen</b><br>Qiagen N.V. (Supervisory Board)<br>(since 26 June 2013)                      |

<sup>1</sup> Group mandate.

## 8.04 Mandates held by the Supervisory Board

| Shareholder representatives  |   | Employee representatives   |
|--|---|--|
| <b>Membership of supervisory boards required by law</b>  | <b>Membership of comparable bodies</b>  | <b>Membership of supervisory boards required by law</b>                              |
| <b>Prof. Dr Wulf von Schimmelmann</b> (Chair)<br>Allianz Deutschland AG<br>Maxingvest AG   | <b>Prof. Dr Wulf von Schimmelmann</b> (Chair)<br>Accenture Corp., Ireland (Board of Directors)<br>Thomson Reuters Corp., Canada<br>(Board of Directors) | <b>Rolf Bauermeister</b><br>Deutsche Postbank AG                                     |
| <b>Hero Brahms</b><br>Georgsmarienhütte Holding GmbH<br>(Deputy Chair)   | Western Union Company, USA<br>(Board of Directors)  | <b>Andreas Schädler</b><br>PSD Bank Köln eG (Chair)                                  |
| <b>Krauss-Maffei-Wegmann GmbH &amp; Co. KG</b>   | <b>Hero Brahms</b><br>Zumtobel AG, Austria<br>(Supervisory Board, Deputy Chair)   | <b>Stephan Teuscher</b><br>DHL Hub Leipzig GmbH<br>(Supervisory Board, Deputy Chair) |
| <b>Live Holding AG</b> (Chair)<br>(until 15 January 2014)  | <b>Prof. Dr Henning Kagermann</b><br>Nokia Corporation, Finland<br>(Board of Directors)   | <b>Helga Thiel</b><br>PSD Bank Köln eG (Deputy Chair)                                |
| <b>Telefunken SE</b> (until 31 December 2013)  | <b>Wipro Ltd.</b> , India (Board of Directors)  |  |
| <b>Werner Gatzner</b><br>Bundesdruckerei GmbH<br>Flughafen Berlin-Schönefeld GmbH  | <b>Roland Oetker</b><br>Rheinisch-Bergische Verlagsgesellschaft<br>mbH (Supervisory Board)  |  |
| <b>Prof. Dr Henning Kagermann</b><br>BMW AG<br>Deutsche Bank AG<br>Franz Haniel & Cie. GmbH<br>Münchener Rückversicherungs-<br>Gesellschaft AG | <b>Dr Ulrich Schröder</b><br>"Marguerite 2020": European Fund for<br>Energy, Climate Change and Infrastructure<br>(Supervisory Board)                   |  |
| <b>Roland Oetker</b><br>Evotec AG  | <b>Elmar Toime</b><br>Blackbay Ltd., United Kingdom<br>(Non-Executive Director) (until 5 July 2013)   |  |
| <b>Dr Ulrich Schröder</b><br>DEG – Deutsche Investitions- und<br>Entwicklungsgesellschaft mbH<br>Deutsche Telekom AG                           | <b>Postea Inc.</b> , USA (Non-Executive Chairman)   |  |
| <b>Elmar Toime</b><br>message AG (Chair)<br>(until 13 September 2013)  |   |  |
| <b>Prof. Dr-Ing. Katja Windt</b><br>Fraport AG   |   |  |

# CORPORATE GOVERNANCE REPORT

## Annual Corporate Governance Statement pursuant to section 289a of the *Handelsgesetzbuch* (HGB – German Commercial Code)

In this Annual Corporate Governance Statement, the company presents the main components of Deutsche Post DHL's corporate governance structure. These include the Declaration of Conformity from the Board of Management and the Supervisory Board, significant corporate governance practices that exceed legal requirements, the working methods of the Board of Management and the Supervisory Board, and the composition and working methods of the executive and other committees, as well as the targets for the composition of the Supervisory Board.

 [dpdhl.com/en/investors](http://dpdhl.com/en/investors)

### Company in compliance with all recommendations of the German Corporate Governance Code

In December 2013, the Board of Management and the Supervisory Board again submitted an unqualified Declaration of Conformity pursuant to section 161 of the *Aktiengesetz* (AktG – German Stock Corporation Act), which reads as follows:

“The Board of Management and the Supervisory Board of Deutsche Post AG declare that the recommendations of the Government Commission German Corporate Governance Code in the version dated 15 May 2012 have been complied with since issuance of the Declaration of Conformity in December 2012 and that it is intended to comply with all recommendations of the code in the version dated 13 May 2013 in the future.”

We shall also implement the suggestions made by the code, with one exception: the Annual General Meeting will only be broadcast on the internet up to the end of the address by the Chief Executive Officer.

### Specific corporate governance practices

With the guiding principle of “respect and results”, we set our corporate governance the daily challenge of achieving first-class results whilst adhering to our sense of responsibility for the needs of our employees and customers. We put our knowledge and global presence to good use to make a positive contribution to the environment and society. We concentrate these efforts on environmental protection, disaster management and education. We also support the voluntary work of our employees.

The results of our annual, Group-wide employee opinion survey continue to be very positive. With a participation rate of 77%, slightly fewer employees took part than in the previous year because we have changed our communication and reporting methods.

 Employees, page 74

The annual survey of private customers carried out by the *Kundenmonitor Deutschland* independent market study shows that 95% (previous year: 96%) of our customers are satisfied with Deutsche Post's postal services. We achieved excellent results in letter transit times within Germany. According to surveys conducted by the quality research institute Quotas, we exceeded the 80% legal requirement by a wide margin: 94% of the letters we received during our daily opening hours or before final post box collections were delivered the next day.

 Corporate responsibility, page 79 ff.

### Code of Conduct, diversity and compliance management

The Group's Code of Conduct has been applicable in all regions and all divisions since the middle of 2006. In view of changing legal and social requirements, the Group updated the Code of Conduct. The code now places particular emphasis on our respect for human rights, our opposition to all forms of forced and child labour and our respect for basic principles and rights in the working environment, in accordance with national laws and conventions. The corporate responsibility section has also been updated.

Deutsche Post DHL's Code of Conduct lays down guidelines for day-to-day workplace conduct and is applicable in all regions and divisions. It covers issues ranging from quality, our relationship with our customers and standards on co-operation and integrity in our business practices, to corporate responsibility and the environment. Both the full Code of Conduct and a simplified text version are available to staff in 21 languages. There is also a web-based training course.

The Code of Conduct is underpinned by further guidelines: the anti-corruption policy gives clear instructions on how to handle gifts, benefits and offers of hospitality. The competition compliance policy gives specific guidelines on the prohibition of agreements with competitors. The Code of Conduct for suppliers is included in all procurement contracts and existing long-term framework agreements. It obliges companies that work with us to adhere to ethical and ecological standards. A ban on child and forced labour is in place. Salaries and working times must comply with national laws and regulations.

In mid-2013, Deutsche Post AG's Board of Management adopted its statement on Diversity & Inclusion. One topic covered by this statement is our strategic approach to women in management positions. Since the end of 2011, we have been implementing a package of measures to increase the proportion of women in management positions on a sustainable basis. We have made a formal commitment to achieving this, introduced a system of key indicators, set up mentoring programmes, provided support for women's networks and worked continually to improve work-family balance. We have also made a diversity training course available to executives throughout the Group which focuses on this topic. As at 31 December 2013, the proportion of women in managerial positions around the world stood at 19.6% – up two percentage points compared with 2011, when the “Women in Management Positions” project was started.

The Supervisory Board supports the Group's diversity strategy, with a particular focus on the objective of increasing the number of women on the Board of Management. It sees the efforts for greater diversity as being part of long-term succession planning, for which the Supervisory Board and Board of Management are jointly responsible. In the opinion of the Supervisory Board, the targeted increase in the number of women in executive positions is necessary to ensure that, overall, more suitable female candidates are available for vacant positions on the Board of Management. The international composition of the Board of Management already strongly reflects the global activity of the company.

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We consider the health and safety of our employees to be prerequisites for performance and motivation and a key factor in the company's continued success. Our Group health and safety strategy is based on the Healthy Workplace model launched by the World Health Organisation. It integrates the four areas of workplace design, corporate culture, improving the health resources available to individuals and supporting the society as a whole. Each year we recognise exemplary initiatives with our Corporate Health Award.

At Deutsche Post DHL, the Chief Compliance Officer is responsible for the compliance management system and reports directly to the Chief Financial Officer. The Chief Compliance Officer is supported by the Global Compliance Office, which establishes compliance management standards on a Group-wide basis and supports the corresponding activities of the divisions. Each of the four operating divisions has a Compliance Officer, who regularly presents a report to the Board of Management member for the respective division. These reports are incorporated into the Chief Compliance Officer's reports to the Board of Management and to the Finance and Audit Committee of the Supervisory Board.

One of the main functions of compliance management at Deutsche Post DHL is to implement a systematic process which allows for the identification of potential compliance risks, the evaluation of compliance matters relating to business partners, co-ordinated reporting of any breaches of law or guidelines, the management of guidelines and the development and implementation of training and communication on compliance. We made changes to our compliance hotline in 2013. It is available in around 150 countries and assists employees in reporting breaches of law or the Code of Conduct within the company; it also provides a structure for addressing and resolving breaches. The insights gained from breaches that are reported are used to improve the compliance management system on an ongoing basis. In addition, further steps were taken to improve Group-wide communication on compliance matters, in order to remind employees of their relevance and brief them specifically on the Code of Conduct.

#### **Working methods of the Board of Management and the Supervisory Board**

As a German listed public limited company, Deutsche Post AG follows a dual management system. The Board of Management is responsible for the management of the company. It is appointed, overseen and advised by the Supervisory Board.

In addition to the board departments of the Chief Executive Officer (CEO), the CFO and the Board Member for Human Resources, the Board of Management also includes the operating board departments of MAIL, EXPRESS, GLOBAL FORWARDING, FREIGHT and SUPPLY CHAIN.

With the consent of the Supervisory Board, the Board of Management has established rules of procedure that lay down objectives for structure, management and co-operation within the Board of Management. Within this framework, each board member manages their department independently and informs the rest of the board on key developments at regular intervals. The Board of Management as a whole decides on matters of particular significance for the company or the Group. In addition to tasks that it is prohibited by law from delegating, these include all decisions that must be presented to the Supervisory Board for approval. The entire Board of Management also decides on matters brought forth by one member of the Board of Management for decision by the Board of Management as a whole.

In making their decisions, the members of the Board of Management may not pursue personal interests or exploit business opportunities due to the company for their own benefit. They are required to disclose any conflicts of interest to the Supervisory Board without delay.

The Supervisory Board advises and oversees the Board of Management and appoints the members of the Board of Management. It has established rules of procedure that include the fundamental principles of its internal structure, a catalogue of Board of Management transactions requiring its approval and rules for the Supervisory Board committees. It meets at least twice every six months in a calendar year, with special

 Members, page 114 f.,  
Mandates, page 116

 Members, page 113 f.,  
Mandates, page 116

 Page 113

 Page 109 ff.

meetings held whenever particular developments or measures need to be discussed or decided quickly. In financial year 2013, the Supervisory Board met for five plenary meetings, 16 committee meetings and one closed meeting, as described in the Report of the Supervisory Board.

The Board of Management and the Supervisory Board engage in regular dialogue regarding strategic measures, planning, business development, risk exposure and risk management as well as company compliance. The Board of Management informs the Supervisory Board promptly and fully on all topics of significance.

All Supervisory Board decisions, particularly those concerning transactions that require its approval, are deliberated and discussed extensively in the relevant committees. At each plenary meeting, the Supervisory Board is informed in detail about the work and decisions of its committees.

In making their decisions, the members of the Supervisory Board may not pursue personal interests or exploit business opportunities due to the company for their own benefit. They are required to disclose any conflicts of interest to the Supervisory Board. Any significant conflicts of interest on the part of a Supervisory Board member that are not merely temporary in nature should lead to that member's resignation from the Board. All members of the Supervisory Board are independent as defined by the German Corporate Governance Code.

#### **Executive committees and Supervisory Board committees**

Executive committees prepare the decisions to be made by the Board of Management as a whole and make decisions on matters assigned to them. Their duties include preparing or deciding on investments and transactions in the various divisions. The Deutsche Post Executive Committee is responsible for the MAIL division, the cross-divisional DHL Executive Committee is in charge of the EXPRESS, GLOBAL FORWARDING, FREIGHT and SUPPLY CHAIN divisions, and the CC & GBS Executive Committee covers the Corporate Center (CC) and Global Business Services (GBS). The CEO, the CFO and the Board Member for Human Resources have permanent representation on the committees, while the board members for the divisions are represented on the committees in matters relating to their divisions. Along with the relevant members of the Board of Management, the executive committees also include first-tier executives below the Board of Management level. Depending upon the matter being discussed, other executives also attend the meetings. Procurement and Controlling are called in to consult on capital expenditure, for instance, and Corporate Finance, Corporate Development and Legal Services in the case of acquisitions. The DHL Executive Committee and the Deutsche Post Executive Committee each meet at least once a month; the CC & GBS Executive Committee usually meets every quarter.

Furthermore, business review meetings take place once per quarter. These meetings are part of the strategic performance dialogue between the divisions, the CEO and the CFO. They comprise discussions on strategic measures, operating topics and the budgetary situation of the divisions.

 Pages 114 f. and 116

For the members of the Board of Management, see Board of Management and Mandates held by the Board of Management.

The Supervisory Board has formed six committees to ensure the efficient discharge of its duties; in particular, these committees prepare the resolutions of the plenary meetings of the Supervisory Board. Decisions on certain topics are delegated by the Supervisory Board to the individual committees for a final decision.

The Executive Committee's duties include arranging the appointment of members of the Board of Management and determining the remuneration of the Board of Management at the plenary meeting of the Supervisory Board. The members of the Executive Committee are Wulf von Schimmelmann (Chair), Andrea Kocsis (Deputy Chair), Rolf Bauermeister, Werner Gatzler, Roland Oetker and Stefanie Weckesser.

The Finance and Audit Committee oversees the accounting process, the effectiveness of the internal control system, the risk management and internal auditing systems as well as the financial statement audit. It examines questions of compliance, discusses the half-yearly and quarterly financial reports with the Board of Management before they are published, and prepares plenary meeting resolutions on company acquisitions or disposals that require approval. Based on its own preliminary assessment, it makes proposals for the approval of the annual and consolidated financial statements by the Supervisory Board. The members of the Finance and Audit Committee for 2013 were Hero Brahms (Chair), Stephan Teuscher (Deputy Chair), Werner Gatzler, Thomas Koczelnik, Stefan Schulte and Helga Thiel. Hero Brahms and Stefan Schulte are financial experts as defined by sections 100 (5) and 107 (4) of the AktG. Both have many years' experience as CFOs of various companies. The chairman of the Finance and Audit Committee, Hero Brahms, has been CFO at a number of companies since 1982, most recently at Linde AG, where he was responsible for balance sheets, taxation, business management, audits, finance and personnel. Between 2001 and 2003 Stefan Schulte was a member of the board responsible for finance at Deutz AG, and between 2003 and 2007 he was the member of the Board of Management responsible for finance at Fraport AG, where he has served as CEO since 2009.

The Personnel Committee discusses human resources principles for the Group. The Personnel Committee's members are Andrea Kocsis (Chair), Wulf von Schimmelmann (Deputy Chair), Thomas Koczelnik and Roland Oetker.

The Mediation Committee carries out the duties assigned to it pursuant to the *Mitbestimmungsgesetz* (MitbestG – German Co-determination Act). The members of the Mediation Committee are Wulf von Schimmelmann (Chair), Andrea Kocsis (Deputy Chair), Rolf Bauermeister and Roland Oetker.

The Nomination Committee presents the shareholder representatives of the Supervisory Board with recommendations for potential shareholder members of the Supervisory Board eligible for election at the AGM. In doing so, it takes into consideration the objectives adopted by the Supervisory Board concerning its composition. The members of the Nomination Committee are Wulf von Schimmelmann (Chair), Werner Gatzler and Roland Oetker.

The Strategy Committee was set up in December 2013 and will prepare material for discussion by the Supervisory Board relating to strategic matters and any new activities the company is to undertake, or existing activities that it will discontinue. It will also hold regular discussions on the competition faced by the company. The members of the Strategy Committee are Wulf von Schimmelmann (Chair), Andrea Kocsis (Deputy Chair), Rolf Bauermeister, Henning Kagermann, Thomas Koczelnik and Ulrich Schröder.

Information about the work of the Supervisory Board and its committees in financial year 2013 is also contained in the [Report of the Supervisory Board](#). You can find information about the members of the Supervisory Board and the composition of the Supervisory Board committees under the sections [Supervisory Board](#) and [Mandates held by the Supervisory Board](#).

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### **Targets for the composition of the Supervisory Board**

The Supervisory Board set specific targets for its composition in December 2010, adding a further objective relating to the number of independent members of the Supervisory Board in December 2012:

- 1** The candidate proposals of the Supervisory Board to the General Meeting for the election of Supervisory Board members shall be made in the interest of the enterprise only. Within this framework, the Supervisory Board aims to ensure that on the entire Supervisory Board the share of independent members of the Supervisory Board within the meaning of section 5.4.2 of the German Corporate Governance Code shall be at least 75% and the share of female representation in the year 2015 shall be 30%.
- 2** The international activity of the enterprise is already adequately reflected in the composition of the Supervisory Board. The Supervisory Board aims at maintaining this and will therefore, in future proposals to the General Meeting, consider candidates, whose origin, education or professional experience, equip them with special international knowledge and experience.
- 3** Conflicts of interest of Supervisory Board members are an obstacle to independent and efficient counselling and supervision of the Board of Management. The Supervisory Board decides in each case in accordance with the law and in due consideration of the German Corporate Governance Code, how to deal with potential or actual conflicts of interest.
- 4** In accordance with the age limit adopted by the Supervisory Board and laid down in the Rules of Procedure for the Supervisory Board, proposals for the election of Supervisory Board members shall consider the fact that the term of office shall end no later than the close of the Annual General Meeting after the Supervisory Board member reaches the age of 72.

The composition of the Supervisory Board remained unchanged during the reporting period and is in accordance with the above-mentioned targets. As a result of the re-election of all employee representatives by the Delegate Assembly in April 2013 and the re-election of Wulf von Schimmelmann by the AGM in May 2013, the composition of the Supervisory Board did not change. The current composition of the Supervisory Board exceeds the objective relating to the number of independent members. In respect of the other objectives, the Supervisory Board was able to maintain the satisfactory level which had already been achieved. There are six female members of the Supervisory Board, meaning that women currently make up 30% of its members. The present composition of the Supervisory Board adequately reflects the company's international operations. Numerous members possess special international knowledge and experience.

The AGM due to take place in May 2014 will duly elect or re-elect four shareholder representatives to the Supervisory Board. The nominations put forward by the Supervisory Board to the AGM takes into account the fact that Hero Brahms, who has rendered a significant contribution to the Supervisory Board over many years, both as a member of the Presidium and as chair of the Finance and Audit Committee, will not be standing for re-election due to the specified upper age limit. In putting forward its nominations, the Supervisory Board has set itself the goal of increasing the proportion of women on the Supervisory Board.

## Remuneration report

The remuneration report also forms part of the Group Management Report.

### **Remuneration structure of the Group Board of Management in financial year 2013**

The remuneration paid to individual Board of Management members for financial year 2013 was determined by the Supervisory Board, which held consultations to resolve on the remuneration system for the Board of Management, including the main contractual elements. In so doing it obtained advice from an independent remuneration consultant.

The Board of Management remuneration reflects the size and global reach of the company, its economic and financial situation and the roles and achievements of the individual members. It is set to ensure competitiveness with comparable German and international companies, thus incentivising the Board of Management members to deliver maximum performance and achieve results.

The remuneration paid to the Board of Management for 2013 is in line with standard market practice, appropriate to the tasks involved and designed to reward performance; it comprises fixed (non-performance-related) elements and variable (performance-related) elements, which include short, medium and long-term incentives. The remuneration as a whole as well as its variable components have been capped.

Non-performance-related components are the annual base salary (fixed annual remuneration), fringe benefits and pension commitments. The annual base salary is paid in twelve equal monthly instalments retroactively at the end of each month. Fringe benefits mainly comprise the use of company cars, supplements for insurance premiums and special allowances and benefits for assignments outside the home country.

The variable remuneration paid to the Board of Management is almost entirely medium and long-term based. Half of the variable remuneration consists of a long-term incentive plan with a four-year calculation period; the other half is made up of an annual bonus linked to the company's yearly profits, with 50% of the annual bonus flowing into a medium-term component with a three-year calculation period (deferral). Thus only 25% of the variable remuneration component is paid out on the basis of a one-year calculation. The amount of the annual bonus is set at the due discretion of the Supervisory Board on the basis of the company's performance. The individual annual bonus amounts reflect the extent to which predefined targets are achieved, missed or exceeded. The maximum amount of the annual bonus may not exceed 100% of the annual base salary.

In the reporting year, an addition was made to the criteria used to calculate the amount of the annual bonus. The Group's reported free cash flow is now included in the target agreements for all members of the Board of Management. Another key parameter for all Board of Management members is, as in previous years, the Group's EBIT after asset charge performance metric, including the asset charge on goodwill before goodwill impairment (EAC). For the Board of Management members in charge of the MAIL, GLOBAL FORWARDING, FREIGHT, EXPRESS and SUPPLY CHAIN divisions, the EAC of their respective division is also a key parameter. Furthermore, an employee-related target is agreed with all Board of Management members based on the annual employee opinion survey, as are additional targets.

Achievement of the upper targets for the financial year that have been agreed based on demanding objectives is rewarded with the maximum annual bonus. If the targets specified for the financial year are only partially reached or completely missed, the annual bonus will be paid on a pro-rata basis or not at all. The Supervisory Board may also elect to award an appropriate special bonus for extraordinary achievement.

The annual bonus is not paid in full in a single instalment on the basis of having reached the agreed targets. Instead, 50% of the annual bonus flows into a medium-term component with a three-year calculation period (performance phase of one year, sustainability phase of two years). This medium-term component will be paid out after expiry of the sustainability phase subject to the condition that EAC, as an indicator of sustainability, is reached during the sustainability phase. Otherwise, payment of the medium-term component is forfeited without compensation. This demerit system puts greater emphasis on sustainable company development in determining management board remuneration and sets long-term incentives.

Stock appreciation rights (SARS) are granted as a long-term remuneration component based on the Long-Term Incentive Plan resolved by the Supervisory Board in 2006 (2006 LTIP).

Each SAR entitles the holder to receive a cash settlement equal to the difference between the average closing price of Deutsche Post shares for the five trading days preceding the exercise date and the exercise price of the SAR. In 2013, the members of the Board of Management each made a personal financial investment consisting of 10% of their annual base salary. The waiting period for the stock appreciation rights is four years from the date on which they were granted. After expiration of the waiting period, and provided an absolute or relative performance target has been achieved, the SARS can be exercised wholly or partially for a period of two years. Any SARS not exercised during this two-year period will expire.

To determine how many, if any, of the SARS granted can be exercised, the average share price or the average index value for the reference period is compared with that of the performance period. The reference period comprises the last 20 consecutive trading days prior to the issue date. The performance period is the last 60 trading days before the end of the waiting period. The average (closing) price is calculated as the average closing price of Deutsche Post shares in Deutsche Börse AG's Xetra trading system.

A maximum of four out of every six SARS can be "earned" via the absolute performance target and a maximum of two via the relative performance target. If neither an absolute nor a relative performance target is met by the end of the waiting period, the SARS attributable to the related tranche will expire without replacement or compensation.

One SAR is earned each time the closing price of Deutsche Post shares exceeds the issue price by at least 10%, 15%, 20% or 25%. The relative performance target is tied to the performance of the shares in relation to the STOXX Europe 600 Index (SXXP, ISIN EU0009658202). It is met if the share price equals the index performance or if it outperforms the index by at least 10%.

Remuneration from stock appreciation rights is limited to 300% of the annual target cash compensation (annual base salary plus the annual target bonus). Moreover, it may be limited by the Supervisory Board in the event of extraordinary circumstances.

**Provisions to cap severance payments pursuant to the Corporate Governance Code recommendation, change-of-control provisions and post-contractual non-compete clauses**

In accordance with the recommendation of section 4.2.3 of the German Corporate Governance Code, as amended on 13 May 2013, Board of Management contracts contain a provision stipulating that in the event of the premature termination of a Board of Management member's contract, the severance payment may compensate no more than the remaining term of the contract. The severance payment is limited to a maximum amount of two years' remuneration including fringe benefits (severance payment cap). The severance payment cap is calculated without any special remuneration or the value of rights allocated from long-term incentive plans.

In the event of a change in control, any member of the Board of Management is entitled to resign their office for good cause within a period of six months following the change in control, after giving three months' notice by the end of a given month, and to terminate their Board of Management contract (right to early termination).

The contractual provisions stipulate that a change of control exists if a shareholder has acquired control within the meaning of section 29 (2) of the *Wertpapiererwerbs- und Übernahmegesetz* (WpÜG – German Securities Acquisition and Takeover Act) via possession of at least 30% of the voting rights, including the voting rights attributable to such shareholder by virtue of acting in concert with other shareholders as set forth in section 30 of the WpÜG or if a control agreement has been concluded with the company as a dependent entity in accordance with section 291 of the *Aktiengesetz* (AktG – German Stock Corporation Act) and such agreement has taken effect or if the company has merged with another legal entity outside of the Group pursuant to section 2 of the *Umwandlungsgesetz* (UmwG – German Reorganisation and Transformation Act), unless the value of such other legal entity, as determined by the agreed conversion rate, is less than 50% of the value of the company.

In the event that the right to early termination is exercised or a Board of Management contract is terminated by mutual consent within nine months of the change of control, the Board of Management member is entitled to payment to compensate the remaining term of their Board of Management contract. Such payment is limited to 150% of the severance payment cap pursuant to the recommendation of the German Corporate Governance Code. The amount of the payment is reduced by 25% if the Board of Management member has not reached the age of 60 upon leaving the company. If the remaining term of the Board of Management contract is less than two years and the Board of Management member has not reached the age of 62 upon leaving the company, the payment will correspond to the severance payment cap. The same applies if a Board of Management contract expires prior to the Board of Management member's reaching the age of 62 because less than nine months remained on the term of the contract at the time of the change of control and the contract was not renewed.

Board of Management members are also subject to a non-compete clause, taking effect on the cessation of their contracts. During the one-year non-compete period, former Board of Management members receive 100% of their last contractually stipulated annual base salary on a pro-rata basis as compensation each month. Any other income earned during the non-compete period is subtracted from the compensation paid. The amount of the compensation payment itself is deducted from any severance payments or pension payments. Prior to, or concurrent with, cessation of the Board of Management

contract, the company may declare its waiver of adherence to the non-compete clause. In such a case, the company will be released from the obligation to pay compensation due to a restraint on competition six months after receipt of such declaration.

Apart from the aforementioned arrangements, no member of the Board of Management has been promised any further benefits after leaving the company.

#### Amount of remuneration paid to active members of the Group Board of Management in financial year 2013

The remuneration paid to active members of the Board of Management in financial year 2013 totalled €13.21 million (previous year: €13.30 million). This amount comprised €7.84 million in non-performance-related components (previous year: €7.64 million) and €5.37 million in the performance-related component paid out (previous year: €5.66 million). An additional €3.33 million of the performance-related component was transferred to the medium-term component and will be paid out in 2016 subject to the condition that the required EAC, as an indicator of sustainability, be reached.

The members of the Board of Management were granted a total of 1,984,818 SARs in financial year 2013 for a total value of €7.30 million (previous year: €7.04 million) at the time of issue (1 August 2013). The following tables present the total remuneration paid to active Board of Management members (individual breakdown):

#### B.05 Remuneration paid to the Group Board of Management in 2013: cash components

| Board members            | Non-performance related |                 | Performance related |  | Total     | Share of annual bonus transferred to medium-term component (2013) <sup>1</sup> |
|--------------------------|-------------------------|-----------------|---------------------|--|-----------|--|
|                          | Annual base salary      | Fringe benefits | Annual bonus        | Payout from medium-term component (2011) |           |  |
| Dr Frank Appel, Chairman | 1,962,556               | 30,093          | 834,086             | 436,268                                  | 3,263,003 | 834,086  |
| Ken Allen                | 930,000                 | 97,403          | 453,375             | 208,708                                  | 1,689,486 | 453,375  |
| Roger Crook              | 860,000                 | 203,918         | 384,678             | 290,228                                  | 1,738,824 | 384,678  |
| Bruce Edwards            | 930,000                 | 124,884         | 446,493             | 421,317                                  | 1,922,694 | 446,493  |
| Jürgen Gerdes            | 953,250                 | 23,858          | 457,274             | 465,000                                  | 1,899,382 | 457,274  |
| Lawrence Rosen           | 930,000                 | 20,220          | 453,375             | 215,000                                  | 1,618,595 | 453,375  |
| Angela Titzrath          | 715,000                 | 61,234          | 303,875             | –  | 1,080,109 | 303,875  |

<sup>1</sup> This amount will be paid out in 2016 provided the sustainability indicator is fulfilled.

#### B.06 Remuneration paid to the Group Board of Management in 2013: share-based component with long-term incentive effect

| Active board members     | Number of SARs | Value of SARs on grant date (1 Aug. 2013) |
|--------------------------|----------------|---|
| Dr Frank Appel, Chairman | 533,304        | 1,962,559                                 |
| Ken Allen                | 252,720        | 930,010                                   |
| Roger Crook              | 233,700        | 860,016                                   |
| Bruce Edwards            | 252,720        | 930,010                                   |
| Jürgen Gerdes            | 265,356        | 976,510                                   |
| Lawrence Rosen           | 252,720        | 930,010                                   |
| Angela Titzrath          | 194,298        | 715,017                                   |

## Remuneration paid to the Group Board of Management in the previous year (2012)

### B.07 Remuneration paid to the Group Board of Management in 2012: cash components

| €                                     | Non-performance related |                     | Performance related |   | Total     | Share of annual bonus transferred to medium-term component <sup>2</sup> |
|---------------------------------------|-------------------------|---------------------|---------------------|---|-----------|---|
|                                       | Annual base salary      | Fringe benefits     | Annual bonus        | Payment from medium-term component (2010) |           |   |
| Board members                         |                         |                     |                     |   |           |   |
| Dr Frank Appel, Chairman              | 1,841,411               | 34,763              | 1,244,325           | 415,493                                   | 3,535,992 | 519,194   |
| Ken Allen                             | 918,333                 | 99,150              | 490,050             | 175,032                                   | 1,682,565 | 419,100   |
| Roger Crook                           | 823,750                 | 195,571             | 407,756             | –   | 1,427,077 | 407,756   |
| Bruce Edwards                         | 930,000                 | 107,348             | 443,610             | 214,549                                   | 1,695,507 | 443,610   |
| Jürgen Gerdes                         | 930,000                 | 21,008              | 448,725             | 340,000                                   | 1,739,733 | 448,725   |
| Lawrence Rosen <sup>1</sup>           | 883,333                 | 19,305              | 579,150             | 215,000                                   | 1,696,788 | 295,350   |
| Walter Scheurle (until 30 April 2012) | 310,000                 | 6,707               | 230,175             | 223,380                                   | 770,262   | 76,725  |
| Angela Titzrath (since 1 May 2012)    | 476,667                 | 42,227 <sup>3</sup> | 235,950             | –   | 754,844   | 235,950   |

<sup>1</sup> In financial year 2012, an additional €209,000 was paid out as compensation for rights that lapsed as a result of Mr Rosen's transfer to Deutsche Post AG. The compensation payment is described in the 2009 Annual Report.

<sup>2</sup> This amount will be paid out in 2015 provided the sustainability indicator is fulfilled.

<sup>3</sup> In financial year 2012, an additional €538,835 was paid out as compensation for rights that lapsed as a result of Ms Titzrath's transfer to Deutsche Post AG, as described above.

### B.08 Remuneration paid to the Group Board of Management in 2012: share-based component with long-term incentive effect

| €                                  | Number of SARs | Value of SARs on grant date (1 July 2012) |
|------------------------------------|----------------|---|
| Active board members               |                |   |
| Dr Frank Appel, Chairman           | 544,068        | 1,817,187                                 |
| Ken Allen                          | 278,448        | 930,016                                   |
| Roger Crook                        | 257,490        | 860,017                                   |
| Bruce Edwards                      | 278,448        | 930,016                                   |
| Jürgen Gerdes                      | 278,448        | 930,016                                   |
| Lawrence Rosen                     | 257,490        | 860,017                                   |
| Angela Titzrath (since 1 May 2012) | 214,074        | 715,007                                   |

#### Pension commitments under the previous system

Dr Frank Appel and Jürgen Gerdes have direct, final-salary based pension commitments on the basis of their individual contracts, providing for benefits in case of permanent disability, death or retirement. If the contract of a member ends after at least five years of service on the Board of Management, the entitlements they have acquired will vest in full. Members become entitled to benefits due to permanent disability after at least five years of service. Eligibility for retirement benefits begins at the earliest at the age of 55, or at the age of 62 in the case of Jürgen Gerdes. The members of the Board of Management may choose between annuity payments and a lump sum payment. The benefit amount depends on the pensionable income and the pension level derived from the years of service.

Pensionable income consists of the annual base salary (fixed annual remuneration) computed on the basis of the average salary over the last twelve calendar months of employment. Members of the Board of Management attain a pension level of 25% after five years of service. The maximum pension level of 50% is attained after ten years of service. Subsequent pension benefits increase or decrease to reflect changes in the consumer price index in Germany.

#### 8.09 Pension commitments under the previous system in financial year 2013: individual breakdown

|                          | Pension commitments           |                       |  |  |
|--------------------------|-------------------------------|-----------------------|--|--|
|                          | Pension level on 31 Dec. 2013 | Maximum pension level | Service cost for pension obligation, financial year 2013 | Present value (DBO) as at 31 Dec. 2013 |
|                          | %                             | %                     | €  | €                                      |
| Dr Frank Appel, Chairman | 50                            | 50                    | 823,857  | 11,083,250                             |
| Jürgen Gerdes            | 25                            | 50                    | 244,254  | 4,749,766                              |
| <b>Total</b>             |                               |                       | <b>1,068,111</b>   | <b>15,833,016</b>                      |

#### 8.10 Pension commitments under the previous system in the previous year (2012): individual breakdown

|                                       | Pension commitments           |                       |  |  |
|---------------------------------------|-------------------------------|-----------------------|--|--|
|                                       | Pension level on 31 Dec. 2012 | Maximum pension level | Service cost for pension obligation, financial year 2012 | Present value (DBO) as at 31 Dec. 2012 |
|                                       | %                             | %                     | €  | €                                      |
| Dr Frank Appel, Chairman              | 50                            | 50                    | 614,968  | 10,447,301                             |
| Jürgen Gerdes <sup>1</sup>            | 25                            | 50                    | 213,097  | 4,598,461                              |
| Walter Scheurle (until 30 April 2012) | 60                            | 60                    | 686,493  | –                                      |
| <b>Total</b>                          |                               |                       | <b>1,514,558</b>   | <b>15,045,762</b>                      |

<sup>1</sup> Should benefits fall due whilst the Board member concerned is actively employed, their amount will be calculated in accordance with the Pension Regulations of Deutsche Post AG (VersOPost) at a minimum (based on a salary of €525,000).

#### Pension commitments under the new system

Since 4 March 2008, newly appointed Board of Management members have received pension commitments based on a defined contribution plan rather than the previous commitments, which were based on the final salary. Under the defined contribution pension plan, the company credits an annual amount of 35% of the annual base salary to a virtual pension account for the Board of Management member concerned. The maximum contribution period is 15 years. The pension capital accrues interest at an annual rate equal to the “iBoxx Corporates AA 10+ Annual Yield” rate, or at an annual rate of 2.25% at minimum, and will continue to do so until the pension benefits fall due. The pension benefits are paid out in a lump sum in the amount of the value accumulated in the pension account. The benefits fall due when the Board of Management member reaches the age of 62 or in the case of invalidity or death whilst being employed. In the event of benefits falling due, the pension beneficiary may opt to receive an annuity payment in lieu of a lump sum payment. If this option is exercised, the capital is converted to an annuity payment, taking into account the average “iBoxx Corporates AA 10+ Annual Yield” for the past ten full calendar years as well as the individual data of the surviving dependents and a future pension increase of 1% per year.

**B.11 Board of Management pension commitments under the new system in financial year 2013:  
individual breakdown**

| €               | Total contribution for 2013 | Present value (DBO) as at 31 Dec. 2013 | Service cost for pension obligation, financial year 2013 |
|-----------------|-----------------------------|--|--|
| Ken Allen       | 325,500                     | 1,397,841                              | 318,826  |
| Roger Crook     | 301,000                     | 783,308                                | 298,666  |
| Bruce Edwards   | 325,500                     | 1,852,506                              | 327,236  |
| Lawrence Rosen  | 325,500                     | 2,396,295                              | 321,414  |
| Angela Titzrath | 250,250                     | 461,924                                | 239,711  |
| <b>Total</b>    | <b>1,527,750</b>            | <b>6,891,874</b>                       | <b>1,505,853</b>   |

**B.12 Board of Management pension commitments under the new system in the previous year (2012):  
individual breakdown**

| €                                  | Total contribution for 2012 | Present value (DBO) as at 31 Dec. 2012 | Service cost for pension obligation, financial year 2012 |
|------------------------------------|-----------------------------|--|--|
| Ken Allen                          | 301,000                     | 1,027,195                              | 297,574  |
| Roger Crook                        | 250,250                     | 454,642                                | 244,487  |
| Bruce Edwards                      | 325,500                     | 1,482,117                              | 329,531  |
| Lawrence Rosen                     | 301,000                     | 1,977,370                              | 300,978  |
| Angela Titzrath (since 1 May 2012) | 526,833 <sup>1</sup>        | 198,981                                | –  |
| <b>Total</b>                       | <b>1,704,583</b>            | <b>5,140,305</b>                       | <b>1,172,570</b>   |

<sup>1</sup> Pro-rated contribution for eight months, plus a starting balance of €360,000. The starting balance will not be credited if Ms Titzrath leaves the company of her own volition prior to reaching the age of 60 or works for the company after reaching the age of 60.

**Benefits for former Board of Management members**

Benefits paid to former members of the Board of Management or their surviving dependents amounted to €4.4 million in financial year 2013 (previous year: €4.6 million). The defined benefit obligation (DBO) for current pensions calculated under IFRS 5 amounted to €72 million (previous year: €78 million).

**Supervisory Board remuneration**

Pursuant to article 17 of the Articles of Association of Deutsche Post AG resolved by the Annual General Meeting in the version applicable until 31 December 2013, the annual remuneration paid to the members of the Supervisory Board comprises a non-performance-related, i.e., fixed, component, a variable component geared towards sustainable corporate development and the attendance allowance.

As in the previous year, the fixed component amounted to €40,000. The variable remuneration component for financial year 2013 will amount to €1,000 for each €0.02 by which the consolidated net profit per share for financial year 2015 exceeds the consolidated net profit per share for financial year 2012. This variable remuneration component will fall due for payment as at the end of the 2016 AGM. The variable remuneration component is subject to a cap equal to 50% of the fixed component.

The Supervisory Board chairman and the Supervisory Board committee chairs receive an additional 100% of the fixed and variable remuneration, and the Supervisory Board deputy chair and committee members receive an additional 50%. This does not apply to the Mediation or Nomination Committees. Those who only serve on the Supervisory Board or its committees, or act as chair or deputy chair, for part of the year are remunerated on a pro-rata basis.

As in the previous year, Supervisory Board members receive an attendance allowance of €1,000 for each plenary meeting of the Supervisory Board or committee meeting that they attend. They are entitled to the reimbursement of out-of-pocket cash expenses incurred in the exercise of their office. Any value added tax charged on Supervisory Board remuneration or out-of-pocket expenses is reimbursed.

The remuneration for 2013, consisting of a fixed component and the attendance allowance, totalled €1,416,833 (previous year: €1,461,500). The following table shows the remuneration paid to each Supervisory Board member:

**B.13 Remuneration paid to Supervisory Board members in 2013**

| €                                      | Fixed component | Attendance allowance | Total   | Maximum variable remuneration (cap) <sup>1</sup> |
|--|-----------------|----------------------|---------|--|
| Board members                          |                 |                      |         |  |
| Prof. Dr Wulf von Schimmelmann (Chair) | 141,667         | 16,000               | 157,667 | 70,833   |
| Andrea Kocsis (Deputy Chair)           | 120,833         | 13,000               | 133,833 | 60,416   |
| Rolf Bauermeister                      | 60,833          | 9,000                | 69,833  | 30,416   |
| Hero Brahms                            | 80,000          | 12,000               | 92,000  | 40,000   |
| Heinrich Josef Busch                   | 40,000          | 4,000                | 44,000  | 20,000   |
| Werner Gatzler                         | 80,000          | 12,000               | 92,000  | 40,000   |
| Prof. Dr Henning Kagermann             | 40,833          | 3,000                | 43,833  | 20,416   |
| Thomas Koczelnik                       | 80,833          | 16,000               | 96,833  | 40,416   |
| Anke Kufalt                            | 40,000          | 5,000                | 45,000  | 20,000   |
| Thomas Kunz                            | 40,000          | 4,000                | 44,000  | 20,000   |
| Roland Oetker                          | 80,000          | 14,000               | 94,000  | 40,000   |
| Andreas Schädler                       | 40,000          | 5,000                | 45,000  | 20,000   |
| Sabine Schielmann                      | 40,000          | 5,000                | 45,000  | 20,000   |
| Dr Ulrich Schröder                     | 40,833          | 4,000                | 44,833  | 20,416   |
| Dr Stefan Schulte                      | 60,000          | 10,000               | 70,000  | 30,000   |
| Stephan Teuscher                       | 60,000          | 12,000               | 72,000  | 30,000   |
| Helga Thiel                            | 60,000          | 9,000                | 69,000  | 30,000   |
| Elmar Toime                            | 40,000          | 5,000                | 45,000  | 20,000   |
| Stefanie Weckesser                     | 60,000          | 9,000                | 69,000  | 30,000   |
| Prof. Dr-Ing. Katja Windt              | 40,000          | 4,000                | 44,000  | 20,000   |

<sup>1</sup> This variable remuneration component will fall due for payment as at the end of the 2016 AGM after determination of the consolidated net profit per share for financial year 2015.

The AGM resolved on 29 May 2013 to modify the Supervisory Board remuneration as at 1 January 2014 and accordingly amended section 17 of the Articles of Association of Deutsche Post AG. The performance-related remuneration component is now no longer in force, and the fixed component increased to €70,000. All other provisions such as those relating to the attendance allowance and the percentage increases for the Supervisory Board chairman, the deputy chair and the committee chairs and committee members have remained the same.

The variable remuneration for financial year 2011 falls due for payment as at the end of the 2014 AGM if the consolidated net profit per share for financial year 2013 exceeds the consolidated net profit per share for financial year 2010. Since this condition was not met, no performance-related remuneration with a long-term incentive effect will be paid out for financial year 2011.

The remuneration for the previous year (2012), consisting of a fixed component and the attendance allowance, is shown in the following table for each Supervisory Board member:

#### B.14 Remuneration paid to Supervisory Board members in 2012

| Board members                            | Fixed component | Attendance allowance | Total   | Maximum variable remuneration (cap) <sup>1</sup> |
|--|-----------------|----------------------|---------|--|
| Prof. Dr Wulf von Schimmelmann (Chair)   | 140,000         | 21,000               | 161,000 | 70,000   |
| Andrea Kocsis (Deputy Chair)             | 120,000         | 16,000               | 136,000 | 60,000   |
| Wolfgang Abel (until 12 September 2012)  | 42,500          | 6,000                | 48,500  | 21,250   |
| Rolf Bauermeister                        | 60,000          | 12,000               | 72,000  | 30,000   |
| Hero Brahms                              | 80,000          | 17,000               | 97,000  | 40,000   |
| Heinrich Josef Busch                     | 40,000          | 7,000                | 47,000  | 20,000   |
| Werner Gatzler                           | 80,000          | 19,000               | 99,000  | 40,000   |
| Prof. Dr Henning Kagermann               | 40,000          | 6,000                | 46,000  | 20,000   |
| Thomas Koczelnik                         | 80,000          | 19,000               | 99,000  | 40,000   |
| Anke Kufalt                              | 40,000          | 7,000                | 47,000  | 20,000   |
| Thomas Kunz                              | 40,000          | 5,000                | 45,000  | 20,000   |
| Roland Oetker                            | 80,000          | 17,000               | 97,000  | 40,000   |
| Andreas Schädler                         | 40,000          | 7,000                | 47,000  | 20,000   |
| Sabine Schielmann                        | 40,000          | 7,000                | 47,000  | 20,000   |
| Dr Ulrich Schröder                       | 40,000          | 6,000                | 46,000  | 20,000   |
| Dr Stefan Schulte                        | 60,000          | 15,000               | 75,000  | 30,000   |
| Stephan Teuscher (since 29 October 2012) | 10,000          | 2,000                | 12,000  | 5,000  |
| Helga Thiel                              | 60,000          | 16,000               | 76,000  | 30,000   |
| Elmar Toime                              | 40,000          | 5,000                | 45,000  | 20,000   |
| Stefanie Weckesser                       | 60,000          | 12,000               | 72,000  | 30,000   |
| Prof. Dr-Ing. Katja Windt                | 40,000          | 7,000                | 47,000  | 20,000   |

<sup>1</sup> This variable remuneration component will fall due for payment as at the end of the 2015 AGM after determination of the consolidated net profit per share for financial year 2014.

In addition, the variable remuneration for financial year 2010 was paid out in the previous year (2012) in the amount of €465,000, of which €41,875 was to Board members who have now left the company and €423,125 to active Board members. The following table shows the remuneration paid to each Supervisory Board member:

**8.15 Variable remuneration paid to Supervisory Board members for 2010**

| €   | Variable remuneration (cap) |
|---|-----------------------------|
| Active Board members                                  |                             |
| Prof. Dr Wulf von Schimmelmann (Chair)                | 52,500                      |
| Andrea Kocsis (Deputy Chair)                          | 45,000                      |
| Wolfgang Abel (until 12 September 2012)               | 22,500                      |
| Rolf Bauermeister                                     | 22,500                      |
| Hero Brahms   | 30,000                      |
| Heinrich Josef Busch                                  | 15,000                      |
| Werner Gatzer   | 30,000                      |
| Prof. Dr Henning Kagermann                            | 15,000                      |
| Thomas Koczelnik                                      | 30,000                      |
| Anke Kufalt   | 15,000                      |
| Thomas Kunz <sup>1</sup>                              | –                           |
| Roland Oetker   | 30,000                      |
| Andreas Schädler                                      | 15,000                      |
| Sabine Schielmann (since 27 October 2010)             | 3,125                       |
| Dr Ulrich Schröder                                    | 15,000                      |
| Dr Stefan Schulte                                     | 22,500                      |
| Stephan Teuscher (since 29 October 2012) <sup>1</sup> | –                           |
| Helga Thiel   | 22,500                      |
| Elmar Toime   | 15,000                      |
| Stefanie Weckesser                                    | 22,500                      |
| Prof. Dr-Ing. Katja Windt <sup>1</sup>                | –                           |

<sup>1</sup> Not a Board member in financial year 2010.