

# Facts and Figures at a Glance – DHL Supply Chain North America



## Business Profile

- DHL Supply Chain is the world's largest and the most global 3PL
- NORAM - 140 million square feet of space owned and operated across 490 facilities
- \$300M emerging technologies investment for 490 facilities in 2020
- DHL Supply Chain completed 65 start-ups in North America in 2020; 22 have been paused or delayed by the customer, 43 are active and progressing their activity
- DHL Supply Chain is the clear global market leader in contract logistics, with revenues over 2.5 times larger than its nearest rival
- Top twenty 3PL provider of Transportation Services in North America
- Diverse product offering across multiple market sectors



## Sites and Square Feet (source: LOGICS – counts all customers at all sites)

- 490 operating sites in North America
- 140,000,000 square feet of space in North America



## Associate Profile (source: LOGICS)

	Associate Headcount	Seasonal FTAs	Total Associates
US	30,667	5,100	35,767
CA	5,839	1,200	7,039
<b>NA Total</b>	<b>36,506</b>	<b>6,300</b>	<b>42,806</b>



## Digital Innovation Highlights

- Industry leader in driving Innovation and Digitalization for our customers
- Developed Robotics hub with Microsoft and Blue Yonder
- 50+ Innovation pilots completed to date
- 100+ Innovation vendor engagements
- 500+ Innovations implemented since 2018
- Opened Innovation Center in Chicago - 2019



## IT Strategy

- Expert integrator of logistics technology - WMS, TMS, Fleet, Packaging, Automation, Analytics
- Partnerships with software leaders – Blue Yonder, Manhattan, Oracle, Ortec, Nulogy
- Value Creating Proprietary Technology – MySupplyChain, Smart Operations, Smart Screens
- Best practice industry IT templates – Automotive, Consumer, Life Sciences, Retail, Technology
- Data analytics and machine learning tools leveraging Microsoft Azure



## Employer of Choice

- Increased headcount by more than 240 salaried jobs and 1,500 hourly jobs each year over the last five years due to growth
- 30,000+ associates certified as part of internal engagement initiative (CSCS)
- Hired 1,000+ full-time college recruits and ~800 interns in the last five years
- Created seven regional recruiting centers to automate and make the hourly recruiting process more efficient



## Customer Profile

- 256 customers
- 64 of the FORTUNE 500
- 17 of the 100 most sustainable companies in the United States (Barron's)
- 17 of the Top 100 Retailers (National Retail Federation)
- 7 of 10 of the world's most valuable automotive companies (U.S. News & World Report)
- 92% renewal rate



## Corporate Responsibility Profile








- Corporate goal to be carbon neutral by 2050
- > 5,000 hours donated annually in community service
- U.S. EPA SmartWay Logistics & Trucking Partner since 2007



## 2019 Industry Recognition

- Leader, Gartner Magic Quadrant for 3PL North America (2019) and Worldwide (2020)
- 2020 Top Employer Certification in US and Canada by Top Employers Institute - a global certification company recognizing excellence in the conditions that employers create for their people

# DHL Supply Chain Sector Snapshots

Automotive 	Consumer 	Chemical/Energy 	Engineering & Manufacturing 
<ul style="list-style-type: none"><li>• Leading provider of Tire Logistics with over 110 million tires shipped per annum</li><li>• Asset and non-asset-based transportation provider with over 750 tractors and ~\$4bn freight under management</li><li>• Industry leader in supporting inbound and outbound flows both domestic and internationally for OEM manufacturing plants.</li><li>• Market leader in Aftermarket part warehousing and store delivery solutions</li><li>• Focused investment in solutions for eCommerce, finished vehicles, packaging, electric vehicles and North America cross-border movements</li><li>• 79 sites and 17m square feet</li></ul>	<ul style="list-style-type: none"><li>• Manages 19% of the total outsourced logistics market for Consumer Goods in NA</li><li>• In plant line take away, Packaging, Dedicated Fleet, and plant warehousing services are core competencies</li><li>• Significant eCommerce fulfillment out of customer DC's (Omni-Channel fulfillment)</li><li>• 160 sites and 69m square feet</li></ul>	<ul style="list-style-type: none"><li>• Bulk trucking of powders</li><li>• Package &gt; 300M LBS annually of PVOH powders, including laser sorting, precision grinding, and filtration</li><li>• Multiple hazmat sites</li><li>• Leader in Oil &amp; Gas and Mining MRO logistics</li><li>• #1 Position in warehousing for Oilfield Services</li><li>• Company-leading safety program</li><li>• 27 sites and 6m square feet</li></ul>	<ul style="list-style-type: none"><li>• Omni-Channel and eCom warehousing for building materials and service parts</li><li>• Expertise in aerospace, building materials, heavy equipment, and electrical</li><li>• 7 million square feet of warehousing for building materials, landscape supplies, and service parts</li><li>• Inbound to Manufacturing for Heavy Equipment Assembly, Aircraft Assembly, and Tier 1 Aerospace supplier assembly</li><li>• 34 sites and 9m square feet</li></ul>
Life Sciences & Healthcare 	Retail 	Technology 	
<ul style="list-style-type: none"><li>• The largest LSHC 3PL in the US with 35+ LSHC facilities</li><li>• Greater than 16% YOY top-line growth from 2019</li><li>• Helping LSHC manufacturers shed existing vacancy and maximize service levels to the patient community</li><li>• \$220m investment in the past 2 years to expand pharma and med device distribution network to connect manufacturers to partners and patients</li><li>• 36 customers that include 11m square feet of CRT, 2-8C, and controlled substance infrastructure</li><li>• 11m square feet operated</li><li>• Experts in regulatory compliance requirements</li></ul>	<ul style="list-style-type: none"><li>• Helping retailers and sellers confidently grow and increase profitability through: enabling eCommerce; improving service level to store fronts; enhancing overall consumer experience; offering flexible, seasonal pop-up, and overflow solutions</li><li>• Providing fulfillment and transportation solutions that minimize complexity, remove capacity constraints and achieve service goals</li><li>• Specializing in key market verticals including: beauty and personal care; beverage-liquor distribution; fashion and apparel; footwear; lifestyle; marketplace retail/eCommerce; and quick service delivery</li><li>• 89 sites and 18m square feet</li></ul>	<ul style="list-style-type: none"><li>• Partner with four of the top five global semiconductor equipment manufacturers</li><li>• Market leader in 5G equipment roll out</li><li>• 38 tech/service logistics sites with combined 5m square feet (tech and SL)</li><li>• Manage in excess of \$2B of inventory</li><li>• Experts in Next Flight Out (NFO) and complex shipping and compliance requirements</li><li>• Industry leading quality and process adherence programs</li></ul>	

# DHL Supply Chain Strategic Products Quick Look

## Packaging Solutions



- Demand for packaging services remains strong
- End-to-end packaging solution continues to evolve to support the entire packaging supply chain from design engineering, demand planning, sourcing & procurement, through to packaging and final fulfillment
- Operating over 45 packaging sites with an aggregate of 400 packaging lines which produce over 1 million pallets annually across North America

## eCommerce



- Leveraging broad retail/eCommerce centric network including: 84 retail sites; 16+m square feet; 60 store replenishment centers; 150 million units shipped annually from 25 eCommerce sites in 13 cities
- Providing the supply chain resources and services to allow our customers to confidently grow their eCommerce business, and enhance margins and profitability by minimizing complexity, developing necessary eFulfillment capacity and maximizing service, no matter how large their volume or complex their requirements

## Real Estate Solutions



- Primary solutions include Client Specific, Buy Lease Sell, and Strategic Investment
- DHL is among the largest occupier of industrial space in the North America and growing
- In 2019 to YTD 2020, RES developed nearly 10 million square feet of industrial buildings through various types of transactions
- Since 2016, Real Estate Solutions Economic Incentives secured over \$20m of incentives for DHL and our customers

## Transportation Solutions



- Enable shippers to optimize their supply chain and reduce costs, deliver a superior customer experience, achieve visibility across modes, and use transportation data to improve operations.
- Provide a full suite of management and capacity solutions to include Lead Logistics Partner, Transportation Management, Brokerage and Dedicated Fleet services.
- Enabled by a market-leading TMS with real-time integration to BI tools, RPA's and DHL's MySupplyChain platform as our customer digital interface to data and visibility.
- Two customer-shared control towers in North America, Detroit Control Tower is one of six global Center of Excellence control towers.
- \$3.2B North American freight under management with 6000+ subcontracted carriers and multiple DHL Fleets with over 1800 drivers

## Service Logistics



- Providing a connected network infrastructure serving our customers with a 24 x 7 x 365, managing a network of 120+ forward-stocking locations to provide last mile, same-day delivery service in North America.
- Simplifying by delivering of globally consistent business process, based on our Operational Standards Model and executed on our single instance global IT platform, SeLECT.
- Enhancing Visibility and Control via a seamless platform providing our customers with industry leading real-time visibility, network control and timely data analytics to manage and improve their operations. Offering proactive monitoring via our command center located in Lockbourne, Ohio.
- Offering leading edge of innovating the Service Logistics supply chain by improving data analytics, supply chain visibility, automation of processes and bringing network innovations.

