

GeoPost / DPDgroup new Chairman and CEO, Boris Winkelmann and his vision for post Covid and beyond

10-07-2020

On 25 June 2020, Boris Winkelmann was appointed Chairman & CEO by the GeoPost board of directors, following the retirement of former-President Paul-Marie Chavanne.

Created in 1999, GeoPost has developed the largest delivery network over the last 20 years in Europe under its commercial brand DPDgroup.

Winkelmann became Executive Vice President at DPDgroup on 1 February 2020 and has been the driving force behind the Group's agility and resilience during the COVID-19 pandemic.

Thanking the Group for its confidence in his leadership, Winkelmann said:

"I would like to express my gratitude to Paul-Marie Chavanne, my predecessor, for his 20 years of loyal service to this company and recognise his exceptional talent in making the Group a leader in our industry with a record of continued achievements and profitable growth."

"Now, as we move forward from this crisis, our businesses face considerable challenges and exciting opportunities to shape the future of our sector. At DPDgroup, we are prepared for both high growth in e-commerce and to be the leader in sustainable delivery. Our people and planet are our priority, with commercial success and sustainability commitments working hand in hand."

Rapid response to lockdowns

DPDgroup has emerged stronger from the pandemic as lockdown demonstrated the essential nature of parcel delivery and last mile services:

• E-commerce surged beyond expectation

during the crisis and still continues to grow. Worldwide e-commerce share of global retail sales is being driven by Covid-19 in 2020 with an estimated market share of 20% against 14% in 2019 (source: eMarketer study 2020).

- DPDgroup was prepared for the strong shift to B2C volumes where more recent services such as food and healthcare grew significantly. The Group's hybrid B2B / B2C model is built upon adaptability and so was naturally suited to responding to the health crisis. In April and May 2020, when lockdown was in place across most European countries, DPDgroup delivered in total more than 300 million parcels in Europe, up by 30% vs last year.
- Thanks to its network with strong domestic presence and understanding of national markets and ability to adapt rapidly to every local situation, DPDgroup maintained delivery services throughout the pandemic, ensuring the safety of staff and customers. The Group implemented a contactless delivery process in every European country and maintained 60% of its Pickup points (parcel shops and lockers) worldwide. Drawing upon its Far Eastern connections with Lenton Group in China, DPDgroup also created an air linehaul that supplied all employees and drivers in its subsidiaries with over 100 million masks and 130,000 litres of hydroalcoholic gel.
- The Group's staff on the ground became and remain today the human face for clients, as people across Europe have come to rely on delivery services for many everyday needs.
- Praising the commitment of the Group's



drivers, Boris Winkelmann stated: "I'd like to thank once again our drivers for being on the frontline to deliver to individuals, pharmacies, hospitals, businesses and others during the pandemic."

Deep learnings from the crisis The COVID-19 crisis has created the opportunity for all businesses to reflect upon their operations and priorities. Through its experience, DPDgroup appreciates to a greater extent than ever the impact human activities have on the environment, especially in urban areas. Under Winkelmann's direction, the Group will continue to put considerable effort into further broadening and deepening its technology stack to increase efficiency and improve customer and consignee experience, while fulfilling its commitments to sustainability through its DrivingChange™ programme. In recent years, DPDgroup has invested in new alternative vehicles and logistics technology to increase efficiency and reduce, even eliminate, carbon emissions, while simultaneously retaining its leading position in Europe's voluntary carbon offset market. The Group has also been a leader in leveraging technology to increase client and consignee satisfaction, creating new tools to give shippers and consignees more control and transparency over deliveries. These include Predict letting end-consignees know the exact timeslot in which their parcel will arrive and a network of more than 46,000 Pickup points across the world. Winkelmann says that one of the key take-aways for the business over the COVID-19 crisis is that "DPDgroup has proven that as well as possessing the resilience expected of an organization of its size, it is also extremely flexible and agile. This helped us keep the world in motion during the pandemic, quickly creating and adopting new practices and coping with increased volumes

with standard efficiency. That flexibility and

agility will be key to swiftly seizing the new opportunities that await us in the months to come."

Skyrocketing growth

This innovation and commitment to sustainability have been accompanied by commercial success and expansion: the Group delivered 1.3 billion parcels in 2019, generating €7.8 billion revenue, a 6.7% increase on the previous year. In 2019 DPDgroup pursued its external growth through several acquisitions predominantly in Europe. The Group acquired majority stakes in Lenton (China) and then BRT (Italy) in January 2020, extending its international reach still further. To continue with the consolidation of the Group, DPDgroup is paying attention to growth opportunities in Europe, Southeast Asia, Latin America, the Middle East and Africa. The Group is also developing into new markets, such as food and healthcare. It has already established itself in the food segment with Chronofresh (by Chronopost France) and SEUR Frío (Spain); and in healthcare with the acquisition of BioLogistic (by Chronopost France). These strategic industries are a good fit thanks to DPDgroup's existing network and processes with a unique expertise in cold chain logistics.

The trends highlighted over recent months are set to continue into the future with further growth in e-commerce and a corresponding increase in demand for B2C delivery. DPDgroup's network is ready to take advantage with new facilities planned for France, the Netherlands and the UK, as well as a recruitment programme for additional drivers.

Winkelmann notes: "DPDgroup has worked to diversify its B2B expertise with B2C activity since 2008. This strategic move has proven a key asset to successfully managing the evolution of the market. Nevertheless, the COVID-19 crisis has accelerated our plans by



3 to 5 years."

Source: DPD