



# OVERCOMING THE COVID 19 CRISIS

## DHL AUTO-MOBILITY



# An unprecedented Supply Chain disruption

**-83%**

Passenger  
Belly capacity

## Shrinking AFR/OFR Capacity

- Medical Cargo prioritized
- Race for capacity
- Blank sailing on OFR

**39%**

Labor shortages in  
Auto Supply Chain

## Border crossing challenges

- Varying country regulations
- Delays and more complexity for drivers/Flying crews

**+54%**

E-commerce  
orders in Q1

## Congested Logistics infrastructure

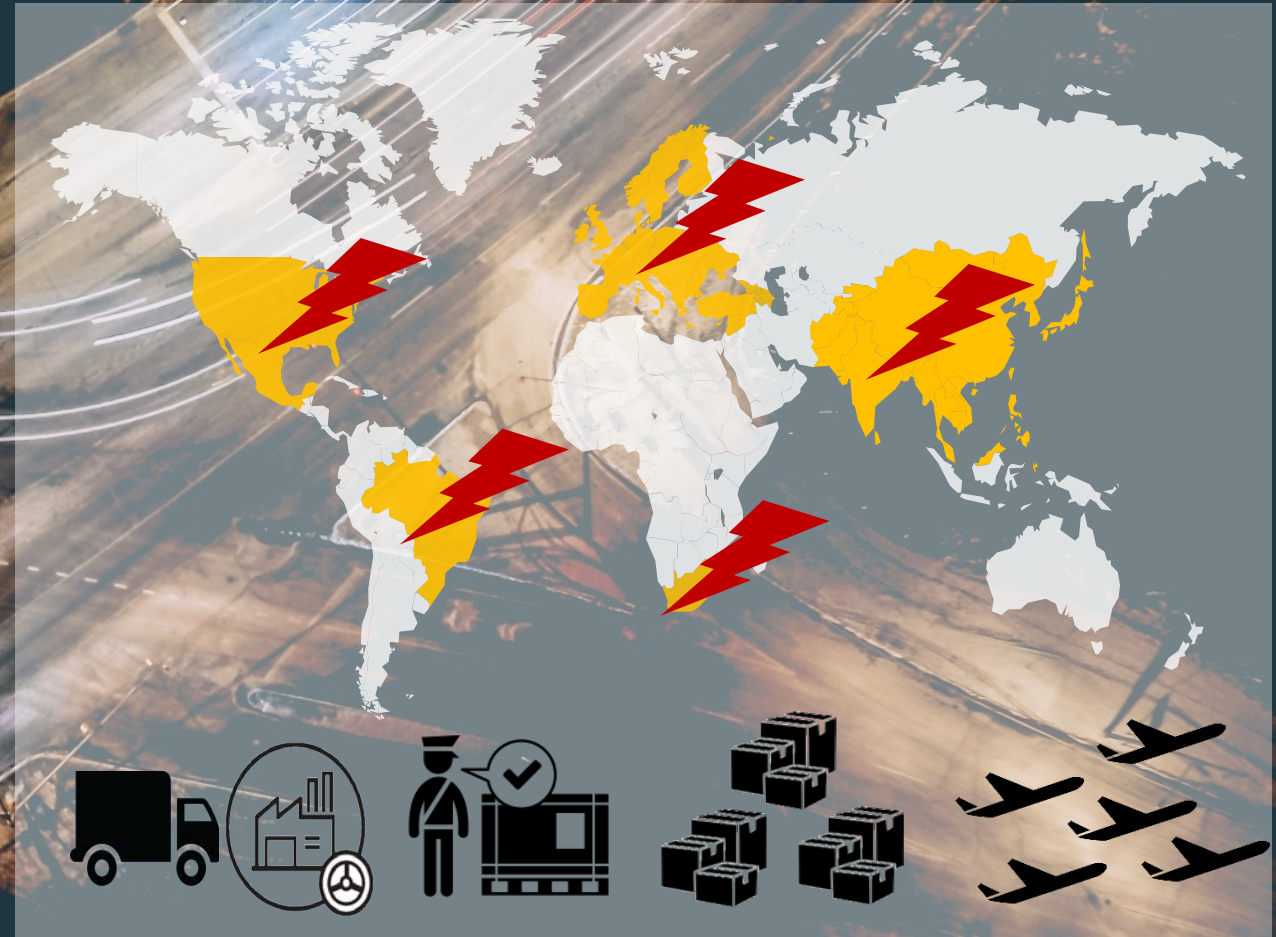
- Logistics impacted by crisis & peak demand
- Backlogs in hubs and ports
- Availability of containers/trailers/equipment

**~90%**

NA+EU plants  
shut down

## Plant shut downs

- Production materials rerouting
- Emergency storage
- Line repurpose for medical equipment

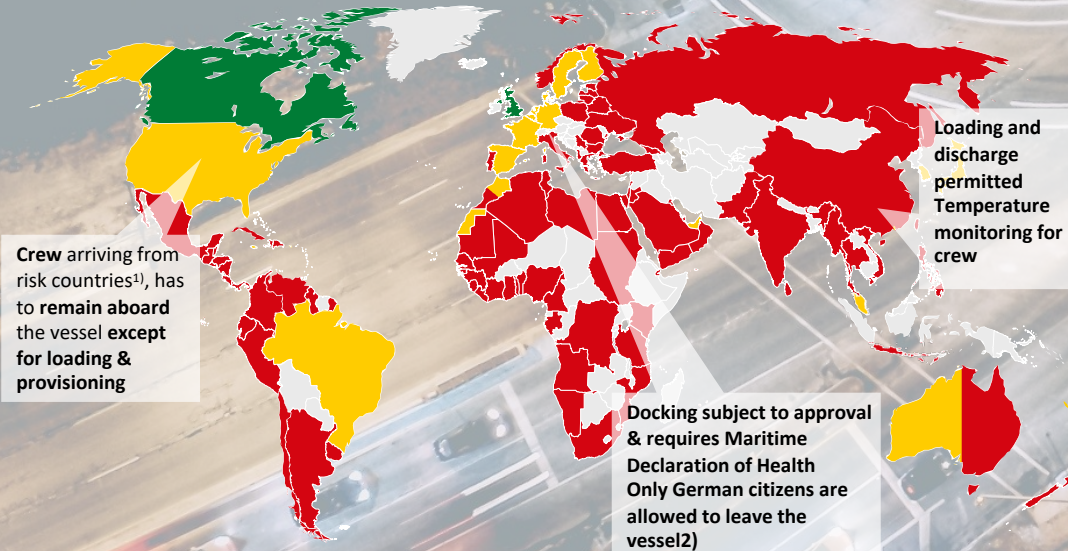


# Forwarding industry is the most impacted



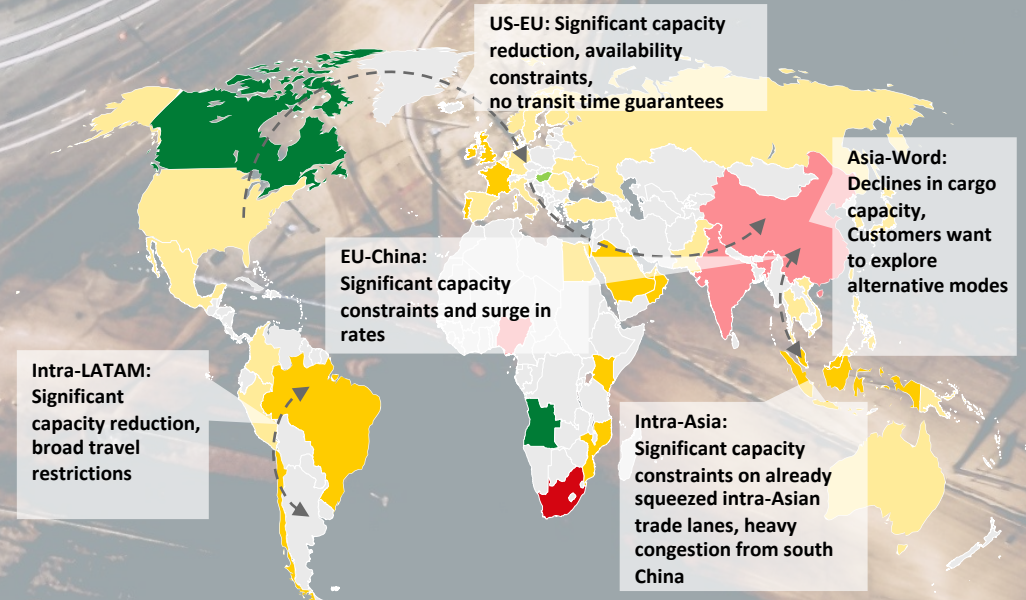
**Ocean freight** isn't disrupted, but restrictions on crew change, additional documentation/health screenings & port congestions can complicate logistics

- Locations which do not allow crew change
- Locations which allow crew change
- Locations which allow crew change with conditions



**Global air cargo capacity** is 35%+ below 2019 levels, driven by a significant reduction of belly capacity; freighter capacity increased by 20% compared to 2019

- Capacity
- Available
  - Moderate Constraints
  - Constrained
  - Significantly Constrained
  - Not Available



# Preparing the restart coping with uncertainty

Q2-2020



Q2-2020



Q3-2020



Q4-2020

## Reboot the global Auto-Mobility Supply chain

- Coordinate supplier rebound ahead of vehicle assembly. Re-assess inventories
- Reposition of vessel/Trucks fleets and equipment for phased restart
- Adapt production planning to logistics & plant safety constraints



## Redesign a transitory set-up matching new constrains



- Evaluate mid term crisis impact on supply and demand
- Adapt current logistics set ups to minimize cost and guarantee service
- Design efficient logistics processes compliant with covid19 safety measures

## Demonstrate agility with Supply Chain partners

- Global restart will be a matter of months and will require adaptability
- Supplier challenges and failures to be expected. Collaboration is key!
- Strong demand and volume fluctuations to be expected



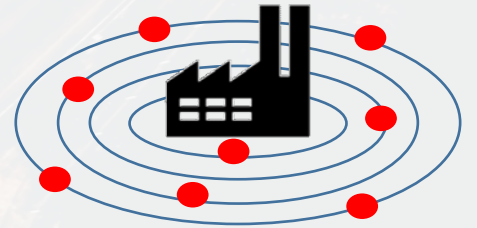
# More regional, agile & connected supply chains

**Shorten the supply chain with regional strategies while remaining global**

**Assess Supplier SC risks:**  
Looking into big data for big insights

**Supply chain redesign:**  
Limit exposure and mitigate global risks

**Foster visibility & integration:**  
enhanced processes and new software



**Knock down assembly:**  
Packaging, transport and sub-assembly

**Shared distribution:**  
limit cost and emission in dense areas

**Leverage technology:**  
IoT & robotics application pilots

**Limit CAPEX and find synergies with more agile production & distribution**

**The right time to develop the New Mobility Supply Chain**

**EV logistics:**  
managing battery flows and infrastructure

**Fleets & leasing:**  
availability, maintenance and visibility of assets

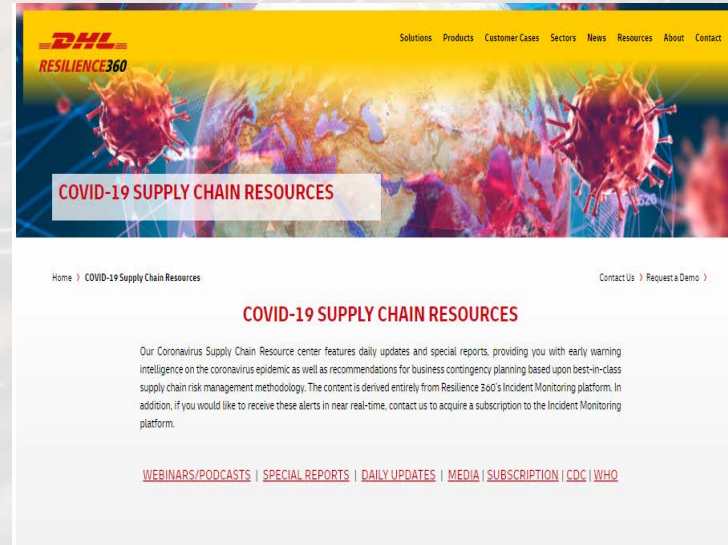
**Auto-Mobility E-commerce :**  
fulfilment and distribution



# The right time to consider risk management

	Prevent cargo & inventory loss		Avoid lost sales
	Avoid supplier failure		Be compliant, follow regulations & lower insurance
	Reduce premium freight		Consider health, safety and environment
	Reduce buffer stock		Maintain order volume & customer loyalty
	Avoid production outage		Limit reputation damage

## Open resource center for Supply chain updates during Covid19 crisis



The screenshot shows the DHL Resilience360 website page for COVID-19 Supply Chain Resources. The page features a header with the DHL logo and navigation links. The main content area includes a title "COVID-19 SUPPLY CHAIN RESOURCES" and a paragraph of introductory text. At the bottom, there are links for "WEBINARS/PODCASTS", "SPECIAL REPORTS", "DAILY UPDATES", "MEDIA", "SUBSCRIPTION", "CDC", and "WHO".

### Resilience 360 Covid-19 coverage:

- Dedicated coverage
- 1600+ incidents reported
- 7 Special Reports issued
- 1 central resource center for all contents

Go to: <https://www.resilience360.dhl.com/coronavirus-supply-chain-resource-center/>