FUTURE OF LOGISTICS & SUPPLY CHAIN

JOHN GILBERT, GINA CHUNG

DHL GLOBAL ENERGY CONFERENCE | HOUSTON, NOVEMBER 2018
PREDICTING THE FUTURE IS A TOUGH BUSINESS…

VISIONS OF THE YEAR 2000 in 1900

Kind of close?
BUT IS IT EASIER TODAY?

BEST SMARTPHONE OF 2008?
How do we predict the future of logistics?

Some tell tale signs of change...

Customer expectations: eCommerce and mobile have changed consumer expectations. New logistics experience is needed (service, speed, cost, sustainability).

Industry fragmentation: Over 500,000 trucking companies in the US alone. In ocean freight, a single shipment can involve over 30 parties and 200 interactions.

Technology adoption: 80% of warehouses today are manually operated. One container vessel can be associated with hundreds of thousands of documents.

Aging workforce and labor shortage: 55 years – average age of a commercial truck driver in the US.
OUR INDUSTRY IS TRANSFORMING: OPPORTUNITIES HAVE ALREADY BEEN RECOGNIZED BY THE MARKET

Since 2011: Over $15 billion of capital invested across 1,000 startups in Logistics Tech
E-COMMERCE: FUNDAMENTALLY CHANGED EXPECTATIONS AND SUPPLY CHAIN AS A FUNCTION

...years taken to become world’s largest and most valuable retailer with operations in over 200 countries

18

...billion USD in sales within the first hour of Singles Day

8.6

...minutes to deliver the first out of 812 million orders on Singles Day

12
THE KEY IS TO UNDERSTAND:
WHAT ARE YOUR CHALLENGES? + WHAT’S POSSIBLE?

Customer-centric Innovation Platform
GER / SG / US

Trend Research and Innovation Eco-system
LOGISTICS TREND RADAR – PREDICTING THE FUTURE

+ 10,000 opinions from supply chain leaders, industry innovation partners, and academia
LOGISTICS TREND RADAR – PREDICTING THE FUTURE

Social & Business Trends

- Green Energy Logistics
- Grey Power Logistics
- Tube Logistics
- Servitization
- Connected Life
- Fair & Responsible Logistics
- Sharing Economy
- Batch Size One
- Containerization

Technology Trends

- 3D Printing
- Blockchain
- Virtual Reality & Digital Twins
- Bionic Enhancement
- Next-generation Wireless
- Augmented Reality
- Big Data Analytics
- Cloud Logistics
- Internet of Things
- Robotics & Automation
- Self-driving Vehicles
- Artificial Intelligence
- Logistics Technologies
- Omni-channel Logistics
- Logistics Services
- Digital Work
- Batch Size
- size One

RELEVANT IN < 5 YEARS

2018/19

RELEVANT IN > 5 YEARS

HIGH: Creates new (potentially disruptive) ways of doing business
LOW: Provides incremental improvement opportunities
GREEN ENERGY LOGISTICS – ZERO EMISSIONS 2050

Sustainable supply chains will drive sustainable competitive advantage

DHL Streetscooter – Enabling carbon-neutral delivery in cities
Assisted pick-to-bin robots display images of goods to be picked, self-learn and calculate optimal navigation routes.
INTERNET OF THINGS – SMART YARD MANAGEMENT

Dock status visualization. Enables new commercial models which are intelligent, transparent, providing efficient logistics solutions

Driver’s app
LOGISTICS OF THINGS – PREDICTING THE FUTURE

Digital Work

Social & Business Trends
- Servitization
- Grey Power Logistics
- Tube Logistics
- Connected Life
- Fresh Chain
- Fair & Responsible Logistics
- Sharing Economy
- Green Energy Logistics
- Supergrid Logistics
- Logistics Marketplaces
- Internet of Things

Technology Trends
- Blockchain
- Augmented Reality
- Low-cost Sensor Solutions
- Bionic Enhancement
- Virtual Reality & Digital Twins
- Next-generation Wireless
- Cloud Logistics
- Big Data Analytics
- Omni-channel Logistics
- Robotics & Automation
- 3D Printing
- Unmanned Aerial Vehicles
- Blockchain

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DIGITAL WORK—RING SCANNER & SMART WATCH

The Ring Scanner & Smart Watch solution is a cost-saving, lightweight Android alternative to RF scanners for increased picking efficiency.
OPERATIONS MANAGEMENT SYSTEM – BRINGING STANDARDIZATION TO OUR OPERATIONS
SO WHERE ARE WE HEADED? SMARTER, FASTER, SUSTAINABLE, CUSTOMER-CENTRIC SUPPLY CHAINS

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SPOTTING TRENDS IS THE EASY PART…
LET’S SHAPE THE FUTURE

- Use our innovation center and eco-system
- Jointly find solutions to industry challenges
- Kick start innovation projects
- Share learnings, best practices