



Global Transport and Logistics

Sustainability Report 2021

# Leading the way for a sustainable future



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 Green Logistics supporting our customers decarbonisation journey



*This Sustainability Report forms part of Management's Commentary of the DSV Annual Report 2021 and covers statutory reporting on corporate social responsibility, management gender composition and diversity policies as defined by section 99a, 99b and 107d of the Danish Financial Statements Act.*

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*We continue our commitment and support for the principles of the United Nations Global Compact*

COMMUNICATION ON PROGRESS

This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

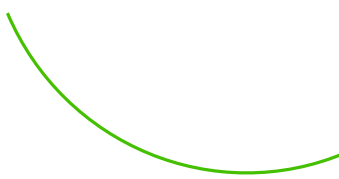
We welcome feedback on its contents.

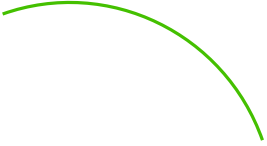


Letter from our CEO

# Leading the way towards a more sustainable future

I am delighted to look back over the last year and see the immense progress we have made across our sustainability initiatives.





The implications of the COVID-19 pandemic, coupled with unprecedented disruptions across global supply chains continued to be a factor throughout 2021. Amidst these challenges, we worked tirelessly to keep supply chains flowing and take positive steps toward reaching our sustainability goals.

DSV has grown significantly over recent years, and the acquisition of Agility's Global Integrated Logistics business (GIL) in 2021 further extended our footprint and capabilities into new markets. As a result, DSV is now the world's third-largest transport and logistics provider. Over time, our sustainability ambitions have also grown in line with the organisation, and the scale of our business demands that we take a more active role in driving the sustainability agenda. For DSV, this responsibility was initiated, nurtured and developed in parallel with the very best customer service. DSV has invested in furthering sustainable transport and logistics by our own mandate because we firmly believe it's the right thing to do. Sustainability is very important to me, and I am determined to lead this organisation and the industry towards a more sustainable future.

### Let's trade on nature's terms

The steady increase of global trade and freight transport is having a major impact on CO<sub>2</sub> emissions. The industry must examine how its activities are conducted and implement tangible initiatives to make them more sustainable. This is an exciting time for the industry as it makes its contribution to the green transition.

I am proud and humbled by the manner in which we have contended with the challenge of climate change. After gaining approval of our science-based targets, DSV launched Green Logistics in 2021.

This is an ambitious set of green solutions that focuses on reducing DSV's customers' emissions and our Scope 3 emissions for subcontracted transport. Available globally for companies of all sizes and across all transport modes, Green Logistics represents a significant leap from commitment to action for DSV. We provide customers with the ability to conduct their business more sustainably without compromising on service levels and operational excellence. I am thrilled to reach this milestone for the organisation and set an industry benchmark that we will continue to build on.

### A people business

Through the years, I have travelled to all corners of the DSV world and seen first-hand how diverse we are as a company. With more than 75,000 employees across more than 90 countries, we have colleagues from all cultures, races, religious beliefs, ages, backgrounds and experiences. This diversity, including gender, is a major part of what makes us a successful business. It is incredibly important that everyone in DSV feels respected, recognised and equal to their peers. We can only grow as a company when our people grow with us. To this end, our global Diversity and Inclusion policy provides a clear statement that we as a company reject prejudice and strive to make everyone feel valued in their jobs. This is an area of our business that I will continue to emphasise, and whilst I am pleased with the progress we have made, I still believe that we can do more, and we will do more.

In DSV, we continue to have a robust health and safety focus, particularly as we integrate with GIL and ensure that all new offices, facilities and employees adhere to our established guidelines. Similarly, it will be important for all new employees to understand and adhere to our robust Code of Conduct.

### Taking reporting to the next level

To enhance our 2021 sustainability reporting, we pursued external assurance of our key Environmental, Social and Governance (ESG) data. This is an important step for DSV as users of ESG data in the financial community increasingly ask for standardised, high-quality ESG reporting. There is a growing need to clarify the impact a business has across economic, social and environmental dimensions, which we fully support. The external assurance provides our reporting with enhanced credibility over the reported data's accuracy and reliability, which is essential to us in our continued effort to improve our sustainability reporting.

I want to take this opportunity to thank our partners, customers and stakeholders for collaborating with us on this sustainability journey. In particular, I would like to recognise our employees' considerable contribution and dedication to our business, and I look forward to continuing to work together as we lead the way towards a more sustainable future.



**Jens Bjørn Andersen**  
Group CEO, DSV A/S



# DSV at a glance



## AMERICAS

Gross profit: DKK 8,199 million

**22%** of total

EBIT before special items: DKK 4,042 million

**25%** of total

## EMEA

Gross profit: DKK 21,739 million

**58%** of total

EBIT before special items: DKK 7,707 million

**47%** of total

## APAC

Gross profit: DKK 7,675 million

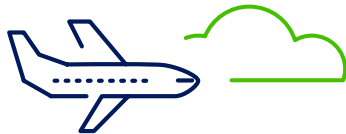
**20%** of total

EBIT before special items: DKK 4,473 million

**28%** of total



**More than 75,000** employees in **over 90** countries



**3rd largest** freight forwarder

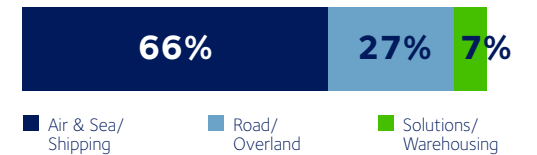
**1,500** offices & logistics facilities



**DKK 182 billion** in annual revenue



## Revenue split on main activities\*



\* Compared to DSV's divisional revenue split, overland activities in Air & Sea and Solutions have been transferred to Road.

# Our company

## About DSV

As a global freight forwarder, we provide transportation of goods for customers around the world. We also offer a variety of value-added services, including lead logistics, e-commerce solutions, purchase order management, cargo consolidation, customs clearance, cargo insurance, warehousing, distribution and more.

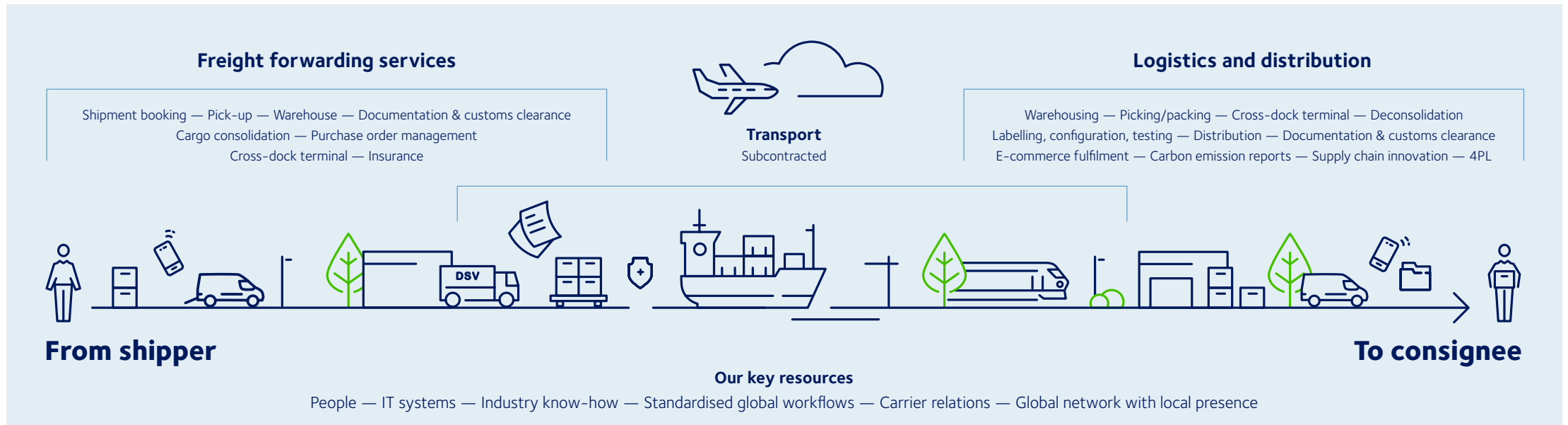
We provide and manage supply chain solutions for thousands of companies every day – from the small family-run business to the large global corporation. With more than 75,000 employees around the world and a presence in more than 90 countries, we deliver reliable and high-quality services to ensure a steady supply of goods to production lines, outlets, stores and consumers everywhere.

Since its founding in Denmark in 1976, DSV A/S has evolved to become the third-largest and one of the world's leading freight forwarders. DSV A/S is divided into three divisions: DSV Air & Sea, DSV Road and DSV Solutions (contract logistics), with DSV A/S group headquarters located in Hedeheusene, Denmark.

## Our business model

Our asset-light business model enables us to work on behalf of our customers to plan and coordinate transports from shipper to consignee. We outsource the actual physical transportation of these goods to airlines, shipping lines, rail operators, couriers and haulier companies.

Our vision is to target expansive growth through four strategic focus areas: customers, growth, people and operational excellence. Fundamental to reaching our goal is our commitment to being a responsible business partner to all our customers and suppliers. Our sustainability initiatives are at the foundation of our work to deliver on that commitment.





*Our new purpose:  
To keep supply chains flowing in a world of change.*

### Our corporate purpose and strategy

COVID-19 affected us and our industry. But a positive outcome was that it shone a light on the importance of our commitment – now clearly articulated in our new purpose.

We are proud to be part of the critical infrastructure that enables the world to trade and our customers, employees, shareholders and societies at large to grow and prosper.

This was especially true during the most challenging times of the pandemic, where we played our part in making sure personal protective equipment (PPE) reached the people who needed it. But it is also true for the everyday transport solutions that our customers need.

We are there for our customers. To help them navigate complex supply chains and steer clearly through logistics markets ravaged by disruption and volatility. To provide greener and more efficient transport solutions through better planning, new technologies and innovative solutions.

### Focusing on sustainable growth

We help our customers grow. By providing reliable, cost-effective services with as little environmental impact as possible, we help our customers develop and grow their businesses around the globe. Our industry-specific solutions for Automotive, Industrial, Retail & Fashion, Healthcare, Technology and Renewable Energy help customers in those sectors succeed.

We help our people grow. Our people are the heart of our business and responsible for the long-term success of our company. DSV employs more than 75,000 people worldwide – from office workers to warehouse operatives and truck drivers. Regardless of function or position, we respect our employee's rights and work to provide them with a safe,

healthy and nurturing workplace where everyone has the chance to grow and develop their talent.

We grow shareholder value. Creating profitable growth means balancing solid, above-market organic growth and an active acquisition strategy. Measured by revenue and profit margins, we're one of the industry's largest and most profitable players. It gives us a strong market position. It is also a foundation for continuously growing our business over market-level everywhere we operate.

We help societies grow. We do business with integrity, respecting the dignity and rights of individuals in all cultures and countries. We believe in giving back to the communities we operate in, while finding new ways of cutting our operational environmental footprint.

### Delivering operational excellence

World trade drives world prosperity, but seamless trade is not a given. Through our persistent focus on transparency, productivity and scalability, we support more efficient global trade flows for all businesses. This is a win-win. It also makes DSV more productive and is the reason why we put so much emphasis on operational excellence.

By constantly measuring productivity and financial as well as non-financial performance, we make sure our leaders have good, transparent insights for decision making. Standardised workflows and systems boost our productivity and guarantee high-quality services to customers. And our international and regional shared service centres act as administrative hubs, serving the global organisation and driving up operational efficiency.

### Acquisition of Agility's Global Integrated Logistics

In 2021 DSV completed the acquisition of Agility's Global Integrated Logistics business (GIL). Bringing our two companies

together will expand our geographic footprint and improve our network and service offerings while maintaining our focus on sustainability. While we understand the need to continue assessing the impact of this acquisition on our material sustainability topics, and that they may change going forward, it did not materially affect the sustainability aspects on which we focused in 2021.

The integration of GIL has strengthened our strategic positioning in the freight forwarding industry.

### The combined company:

- is the **3rd largest** freight forwarder
- transports **1.6 million tonnes** by air per year
- transports **2.9 million TEU** by sea per year
- makes **30 million shipments** by road per year and
- manages **7.4 million m<sup>2</sup> of warehousing space** globally





# Sustainability governance and strategy

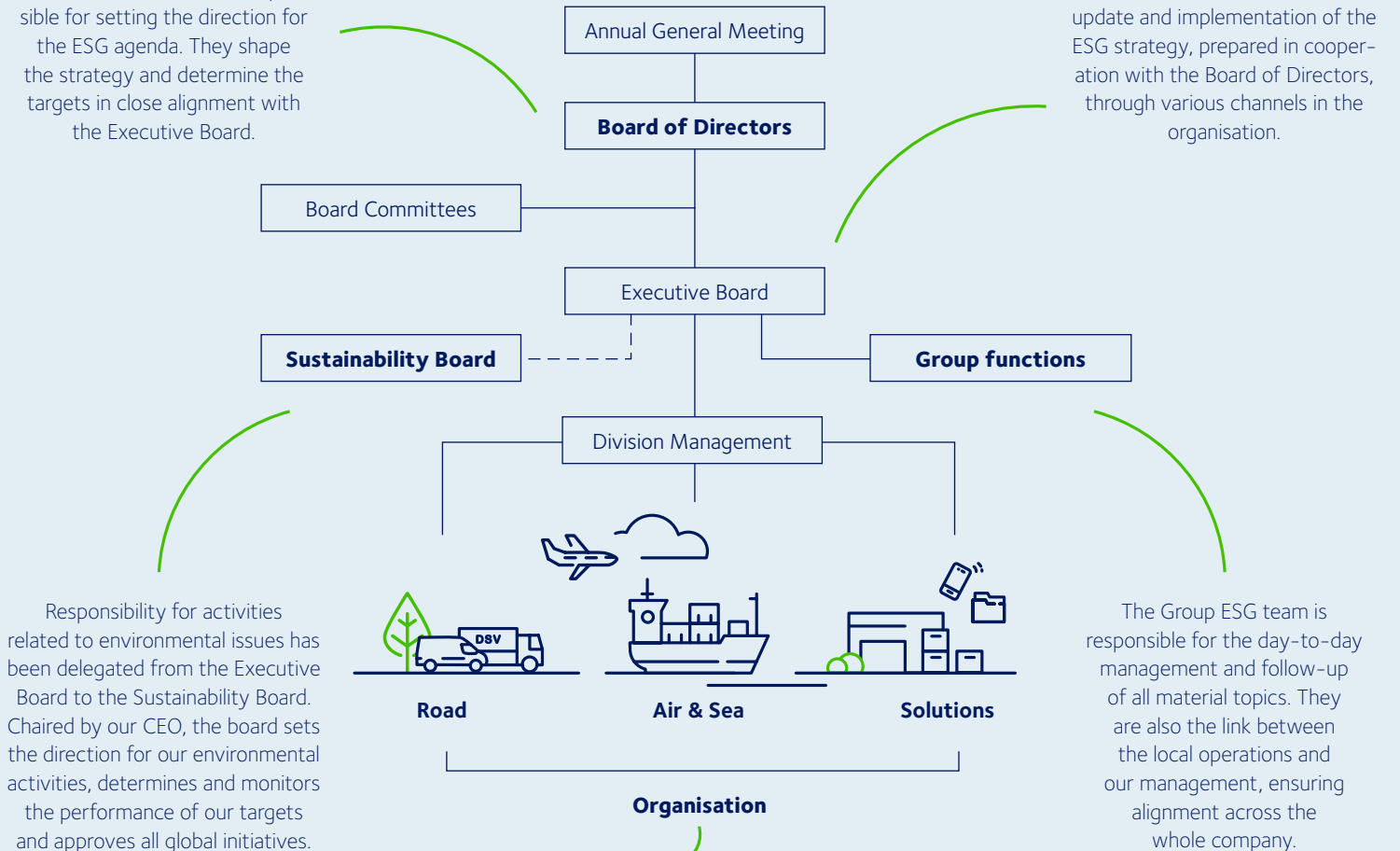


# Sustainability governance model

As a global company, we rely on strong alignment throughout the organisation – from management to local entities – in order to realise our Environmental, Social and Governance (ESG) strategy.

The Board of Directors is responsible for setting the direction for the ESG agenda. They shape the strategy and determine the targets in close alignment with the Executive Board.

The Executive Board drives the update and implementation of the ESG strategy, prepared in cooperation with the Board of Directors, through various channels in the organisation.



Responsibility for activities related to environmental issues has been delegated from the Executive Board to the Sustainability Board. Chaired by our CEO, the board sets the direction for our environmental activities, determines and monitors the performance of our targets and approves all global initiatives.

The Group ESG team is responsible for the day-to-day management and follow-up of all material topics. They are also the link between the local operations and our management, ensuring alignment across the whole company.

Local responsibilities are anchored with local and divisional management supported by local Quality, Health & Safety and Environment (QHSE) specialists and other ESG responsible employees. In this way, we ensure that each division focuses on its relevant sustainability projects and that our initiatives are anchored in the business.

# Sustainability strategy

In order to meet increasing stakeholder expectations, DSV is integrating sustainability into many aspects of its business.

Guided by our commitment to fulfilling and promoting the UN 2030 Sustainable Development Goals (SDGs) and the United Nations Global Compact's Ten Principles, we have set specific goals divided into three target areas: environment, social and governance.

To ensure that we are on course to meet these goals and targets, DSV management actively participates in the development and execution of our sustainability strategy. This strategy is built upon insights from our annual materiality assessment, ongoing dialogue with key stakeholders and risk assessment, which now includes a deeper analysis of climate risks and opportunities. We will continue to make progress on the topic of sustainability during 2022 and to integrate sustainability into our strategies.

## Annual materiality assessment

In 2021, as part of our annual materiality assessment process, we evaluated which topics are most material to DSV to ensure that our focus on sustainability topics are on track. We considered a range of sustainability issues and engaged our key stakeholders to assess how influential these issues are in helping us achieve our goals while remaining commercially viable and environmentally responsible. After reassessing our material topics, we also reviewed their alignment with the SDGs. The results of our assessment confirmed that there had been no change to our material topics and SDGs identified during the previous year as shown within our ESG strategy model on page 11.

## Dialogues with our key stakeholders

As part of our strategic management, we regularly engage in dialogue with our stakeholders to develop solutions for social, environmental and business challenges. The stakeholders chosen are selected based on business influence and impacts.

At DSV, we value open and honest communication with our investors, customers and suppliers regarding ESG issues. We are particularly interested in engaging with our customers about their ESG interests, through regular business reviews and other dialogues. DSV employee insights are also critical. We empower them to provide input on our local approach to employee engagement and our overall sustainability initiatives, such as our climate risk assessment process.

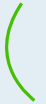
By conducting supplier audits to increase transparency and strengthen our cooperative partnerships, we can also ensure compliance with national laws and the DSV's Supplier Code of Conduct. DSV maintains a good working relationship with authorities in all countries in which we operate, as we must have 100% compliance with all applicable national laws, and we rely on independent rating agencies to assess our sustainability performance and stay in active communication with them.

## Assessing our climate-related risks and opportunities

As we move toward greater awareness in our approach to understanding potential climate change-related impacts to DSV, we have enhanced our risk management process. We have achieved this by incorporating climate change-related issues into our yearly enterprise risk management process and disclosing information in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

DSV's cross-functional working group on climate risks serves as a platform to incorporate climate-related risk management within the existing Enterprise Risk Management (ERM) process. The Climate Risk Assessment helps guide the Group Executive Board and Board of Directors to improve our internal understanding of the impact climate change has on our business.

## Partnerships and membership in associations





### Using scenario analysis for a better understanding

We have also used climate change scenario analysis and engagement with key stakeholders to better understand our most impactful climate risks, both physical and transitional, and opportunities. In a workshop setting, stakeholders reviewed two different potential future climate scenarios.

The first scenario represented one in which no substantive actions against climate change has been taken and where global average temperatures have risen to more than 2°C since pre-industrial levels (RCP 4.5). This scenario is characterised by limited climate change policies and significant physical impacts on road, shipping, aviation and coastal infrastructure.

The second scenario represents one in which climate action is taken, and global average temperatures have risen only to 1.5°C since pre-industrial levels (RCP 2.6). This scenario is characterised by significant climate change policies, deployment of innovative new technologies, and therefore manageable physical impacts.

In each scenario, participants were instructed to rate the level of impact each climate risk and opportunity would have on DSV's ability to meet its financial and strategic goals. In collaboration with DSV management, the most impactful risks and opportunities were selected as key risks and opportunities and integrated into our overall ESG strategy. The overview of key risks and opportunities is presented on page 12.

By following these steps, the foundation for our ESG strategy was prepared, presented to the Board of Directors and the Executive Board which was then approved. The outcome is shown to the right and is described in the following chapters of the report.



### Governance

**Business ethics.** We do business with integrity, respecting different cultures and the dignity and rights of individuals in all countries.

**Responsible procurement.** We ensure our suppliers meet our high standards, service quality and price requirements, and demonstrate an understanding of our corporate sustainability objectives.

## Our ESG strategy



### Environment

We have a responsibility to drive our own operations and the industry towards minimising the environmental impact of transport and logistics services.



### Social

**Our people.** We provide safe and healthy workplaces, and we strive to attract, motivate and retain talented people by offering responsibility, empowerment and growth opportunities.

**Community engagement.** We engage with and support communities in which we operate, and we use our expertise to help people in need.

## Climate-related risks

### Outcomes

Our scenario analysis and climate-integrated enterprise risk management process resulted in the selection of the following key risks and opportunities that drive our climate mitigation efforts and contribute to our ESG strategy. Based on our current assessment we do not expect a significant negative impact on our business operations as a direct result of climate change.



#### Transportation methods service demand flux

Fluctuating types of transportation methods are required. As a result of the effects of climate change, demand may fluctuate around the type of transportation method requested or required by customers. Transportation methods may also be affected by a heightened demand for environmentally conscious business solutions.



#### Technological innovation

Technological innovation around low carbon equipment. This risk entails a push to adopt technology that is less carbon-intensive. This requires upfront costs and timing decisions related to the replacement of existing technology.



#### Carbon tax

Taxes associated with carbon dioxide emissions from activities on-site and throughout a company's supply chain. Carbon pricing would place a financial burden on companies to incorporate this new cost into budgeting. This would require engagement with supply chain partners to adapt business strategies that enable reduced carbon emissions. Higher transportation costs, in turn, lead to lower growth.



#### Reputational perception

Impacts of customer, investor, and supplier (subcontractor) perception of the company if not acting against climate change. Customers, suppliers, employees and investors all expect varying levels of company commitments to action against climate change. Failing to disclose related efforts could result in lost business or investor interest.



#### Lane risk

Degraded/compromised road, air and sea routes. Extreme weather conditions involving storms, flooding, high heat and wildfires have impacts on lane availability. Service disruptions and potential alternative route planning may be needed to address this risk.

## Climate-related opportunities



#### Industry leadership

Lead the industry in transitioning to a low carbon footprint. Meeting stakeholder expectations for climate performance is attractive to investors and customers. Leading the transition to a low carbon footprint through innovation may result in a financial benefit by attracting like-minded customers, and ESG focused investors and employees.



#### Internal emissions management

Implement internal policies regarding greenhouse gas emission limits for onsite activities and the supply chain. Companies anticipating future regulations and policies to combat climate change will implement operational policies and management approaches that are ahead of new regulations. These companies avoid the need to implement reactive financial or strategic plans and will be the first organisations to capitalise upon related incentives.



#### Low emissions services and markets

New low-emission service offerings and low-emission transportation options. Demand for low-emission logistics service options through alternative fuels and other green logistics offerings are increasing. New business, financial gain and marketing opportunities may result from leading this field.



# Our assurance

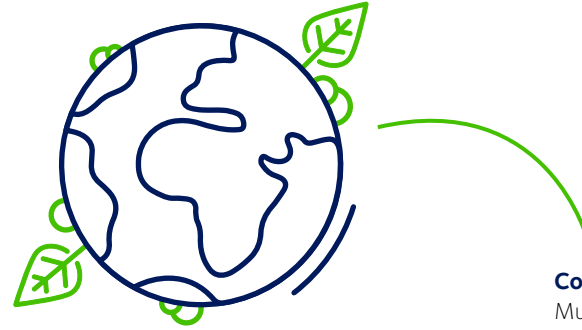
The results of our work are being assessed internally through onsite compliance reviews, and evaluated externally by the leading rating agencies and through ISO certification.

At DSV, we aim to score well in our external ratings and ensure that ratings reflect an accurate picture of our company, by providing information and engaging in dialogue with rating agencies when possible. This is the same approach we take with the credit rating agencies. We believe improvements are reflected by higher scores in ratings, which incentivise continued striving for excellence. Furthermore, quality checking of our performance in Quality, Health & Safety and Environment (QHSE) through an external ISO certification is another important driver for improving our work across ESG.

## Rating agency

## Performance

	2021	2020
<b>MSCI</b> ( <i>AAA is the highest score</i> )	<b>A</b>	A
<b>Sustainalytics</b>	<b>16.7 (low risk)</b>	16.1 (low risk)
<b>S&amp;P Global</b>	<b>46/100</b>	39/100
<b>CDP</b> ( <i>A is the highest score</i> )	<b>C</b>	C
<b>EcoVadis</b>	<b>Gold (72/100)</b>	Silver (64/100)
<b>ISS ESG</b> ( <i>1 is the highest score; our scores are updated on an ongoing basis</i> )	<b>Prime standard</b>	
	<b>1 - Governance</b>	
	<b>2 - Social</b>	
	<b>3 - Environment</b>	
<b>Moody's ESG Solutions</b>	<b>45/100</b>	33/100



### ISO Multisite certification

We achieved our 2020 target and transferred all local certificates for QHSE into one group multisite certificate. Our first multisite certificate was issued in March 2021, covering 451 locations.

In 2021, we saw a slight decrease in the percentage of certified locations. This was mainly due to the acquisition of both Panalpina and Agility's Global Integrated Logistics business (GIL), as locations have been merged and/or relocated during the year.

The benefits of the multisite certificate are notable, and we will realise an increase of 25% in the first quarter of 2022. By the end of 2022, we expect an increase of an additional 30% that will bring the percentage of DSV locations from 32% today to an expected 50% by the end of 2022.

The multisite certification ensures consistency in our global processes and streamlines our operations to encompass risk and opportunity management while enabling opportunities for continuous improvement through best practices.

### Management System Certifications (%)

	2021	2020
ISO 9001 (Quality)	<b>32</b>	38
ISO 45001 (Health & Safety)	<b>18</b>	22
ISO 14001 (Environment)	<b>24</b>	30

### Continuous improvements – Management Systems

Multisite certification is an enterprise approach that provides value and the globally recognised ISO standards is a strong basis. To strengthen our framework and improve our Management Systems DSV are on a continuous basis evaluating further enhancements of the global certification setup.

We believe that by focusing on the most relevant standards, we can strengthen our assurance and improve our operational excellence. As such Energy Management is one of the areas that has our attention, and a standard like ISO 50001 can potentially provide a solid foundation to support our 2030 science-based targets for Scope 1 and Scope 2.

### Compliance reviews

Onsite reviews are part of our self-assessment process. Among other areas, they focus on sustainability and business ethics matters to ensure compliance with procedures and reporting processes.

We aim to carry out this process in all companies of the Group within a three-year cycle. In 2021, we covered companies comprising of 25% of total revenue. Results are reported to the Executive Management and in a summary report to the Board of Directors. Findings are kept in an overview for follow up and closing.



# People





# We are all forwarders

Whether our employees work as freight forwarders, IT professionals, salespeople, finance specialists or warehouse workers, all DSV employees play an integral role in the logistics industry. As a people business, our success is therefore centred on ensuring that we have a fulfilled and productive workforce in a safe and healthy environment.

To achieve this, we work on several initiatives to ensure that we meet this ambition of attracting the right employees. In 2021, we put an extra emphasis on diversity and learning activities, and completed the roll-out of our global HR system, outlined in the sections below.

## Moving forward in a world of change

In August, the integration of Agility's Global Integrated Logistics business (GIL) began, and DSV welcomed 17,000 new colleagues across the world. With this acquisition, DSV has extended its footprint, particularly in the Middle East and Asia-Pacific, adding to our cultural diversity.

Despite the size of the acquisition, DSV was able to onboard our new colleagues to systems and offices, quickly and efficiently. We believe that it is essential to reduce uncertainty amongst employees and minimise any potential impact on productivity.

## Global roll-out of HR system completed

During the year, we completed the global roll-out of our HR system. As a result, we now have all DSV employees on one HR platform, including our newly joined colleagues from GIL.

The platform manages job requests, recruitments and recruitment marketing, and our global employee and organisational data.

It also helps DSV maintain global consistency in data and HR processes. Furthermore, it ensures that candidate and employee data are managed safely and GDPR compliant.

## Goal and priority setting process

The majority of DSV countries are currently utilising the modules for goal and priority setting and continuous feedback, as well as the talent review and succession planning module on our global HR platform.

The goal-setting and feedback modules are built upon our global employee development process and the functionality is important in the continued dialogue between employees and managers, ensuring the right focus, development and motivation at work.

## Talent review and succession planning

As we grow as a company, so does our need for more skilled employees and leaders. To support this development, DSV has a global process for talent review and succession planning. The process ensures that a thorough evaluation of employees and managers is carried out to assess their ability to take on more responsibility and match this towards key positions.

Recurring talent reviews and succession planning processes within local management teams not only facilitate the development of short- and long-term succession planning but support the continuity and longevity of DSV as a whole.

## Looking into 2022

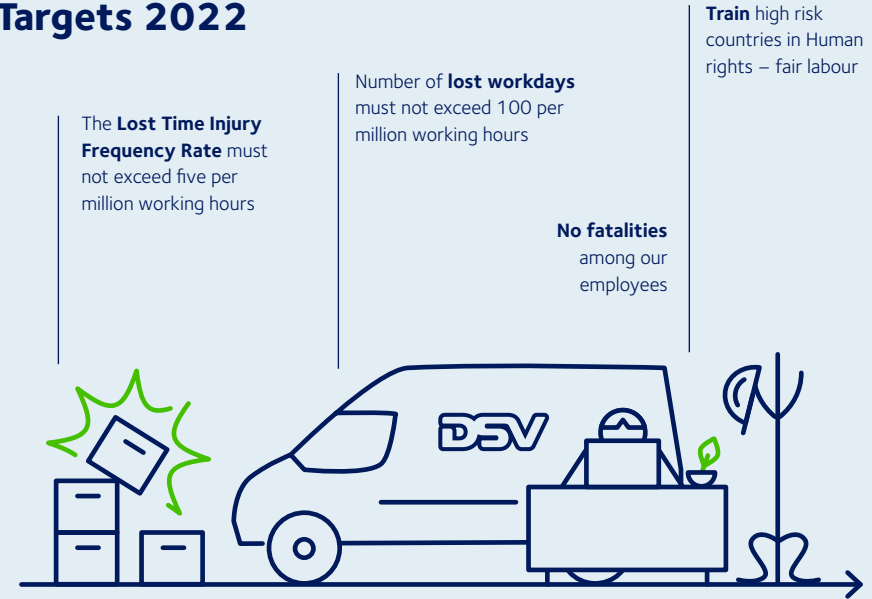
In 2022 we look forward to completing the integration of employees from GIL.

We will continue to develop and grow our Global HR system, and the goal priority setting, as well as talent review modules, that will be rolled out to the remaining DSV countries. In 2022, we will also work on employer branding as well as continue to improve our recruitment practices and training offerings.

## Achievements 2021

- ✓ First Group multisite Health & Safety ISO certification in 2021
- ✓ DSV's Health & Safety requirements rolled out and adopted
- ✓ Global Diversity and Inclusion policy rolled out
- ✓ Completed a global roll-out of HR systems
- ✓ More than 600,000 courses completed on the DSV learning platform
- ✓ All people managers and HR staff received the Diversity and Inclusion e-learning in order to create an understanding of potential biases and stereotyping that may limit our ability to see individual differences and capabilities and remove barriers for equal opportunities in general

## Targets 2022





# Diversity and inclusion

At DSV, we understand diversity as the visible and invisible differences between people, as well as diverse ways of working and thinking. We see inclusion as a way of removing obstacles and barriers so that current and future employees have equal opportunities in the organisation.

DSV promotes a dynamic workplace that fosters an inclusive culture and brings together a workforce of people from many backgrounds. We believe that nurturing and leveraging diversity and inclusion gives us a significant business advantage in today's market and makes us a better company.

At the beginning of the year, we introduced the DSV Global Diversity and Inclusion policy: <https://www.dsv.com/en/diversity-and-inclusion-policy>. The policy formalises the belief that employees should have the possibility to realise their potential, regardless of their different individual backgrounds and traits, and it applies to all employees at DSV. The policy is anchored in the Board of Directors.

## Our initiatives

In 2021 we created a new reporting format on diversity, and inform the Board of Directors twice a year on important information and initiatives.

Furthermore, we have integrated diversity steps into the talent review and succession planning process, recruitment practices and leadership training – and we have run internal campaigns, promoting stories of our female managers and how their careers have unfolded.

All managers and HR staff have received a mandatory e-learning programme on diversity and inclusion, with a specific focus on creating awareness of our biases.

In addition to these global initiatives, managers and HR are embracing local diversity and inclusion actions in alignment with our overall Diversity and Inclusion policy.

## Gender diversity at the top

At present, our Board of Directors is composed of 38% women and 62% men, which is considered an equal gender representation. At least once per year, the Nominating Committee addresses Board composition, including reviews of diversity and skills required by Board members, as disclosed in the Corporate Governance section of the DSV Annual Report.

The composition of the Executive Board is based on ongoing succession planning and overseen by the Nomination Committee. This is done in accordance with the guidance laid down within our Diversity and Inclusion Policy and mirrors the developing leadership pipeline in DSV, which has a significant impact on the candidates considered for the Board.

In 2021 the Board was expanded to include Michael Ebbe, who was named as the new CFO of the Group, having served with the company for 15 years and possessing the required competencies and qualifications needed to take on this role.

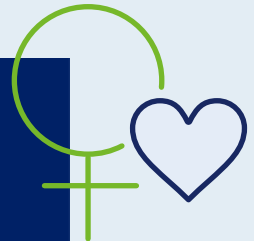
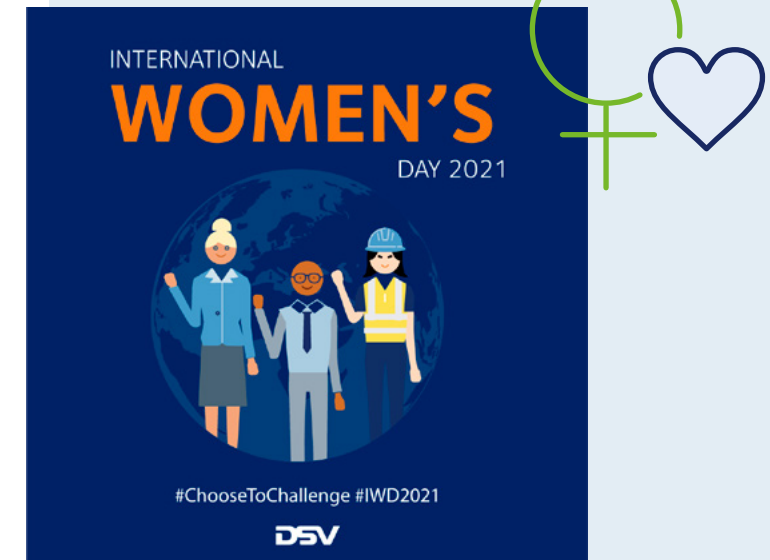


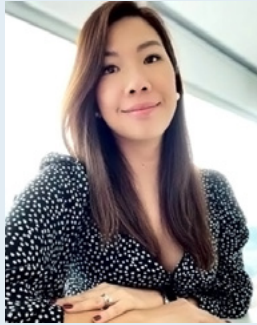
**This section includes reporting on DSV management gender composition and diversity policies in accordance with section 99b and 107d of the Danish Financial Statements Act.**

## International Women's Day

The logistics sector has historically been a male-dominated industry. At DSV, we are committed to making a change so that women have a place to succeed, excel and be recognised for their unique contributions and perspectives.

As a symbol of this greater ongoing effort, DSV celebrated International Women's Day this year by participating in and promoting the #ChooseToChallenge. This movement encourages all people to call out gender bias and inequality, seek out and celebrate women's achievements and create a more inclusive world.





## The youngest leader in the room - DSV's Vice President Ivy Chan

At DSV, we're focused on moving forward our employees' careers. In 2021, forwarding our business also means focusing on the diversity that exists in our company and benefitting from the many incredible skills that are part of the company. Ivy Chan has been the youngest employee promoted to Vice President.

She has worked in finance in the transport and logistics industry for almost 20 years. When talking about her career and moving up the corporate ladder, the first milestone Ivy highlights is her first promotion at only 31 years old.

*"Being the youngest and often the only female in a room of leaders, I had to find the confidence to speak up for myself and demand my ground. I remember thinking that I sometimes felt the conversation was dominated by whoever spoke the loudest", Ivy recalls, "I had to learn to navigate in that and find my way. Luckily, I've always had a good manager and someone I consider a mentor that could help me find my voice. That has been very important to me".*

Becoming a leader, having to hire and let people go, Ivy believes a good hire isn't just about professional qualifications: *"When we're able to listen to each other's ideas, we can move forward as a company. I believe that if you feel listened to, you will also bring more ideas forward. And that's my goal. It takes a team of different people to find the best solutions possible, and different perspectives can bring forward different ideas."*

### Gender diversity in workforce and management

The gender composition within our global workforce is comprised of, 38% women and 62% men, and in the management levels, women constitute 34% of all leaders.

Across our senior management, women constitute 21% of our directors, 12% of senior directors, and 15% of our Vice Presidents. At Executive Vice President level, which is the level just below the Group Executive Committee, women take up 5% of the positions. These percentages are growing on a yearly basis as we continue to secure a more diverse pipeline.

### Looking beyond gender - nationality, age, seniority

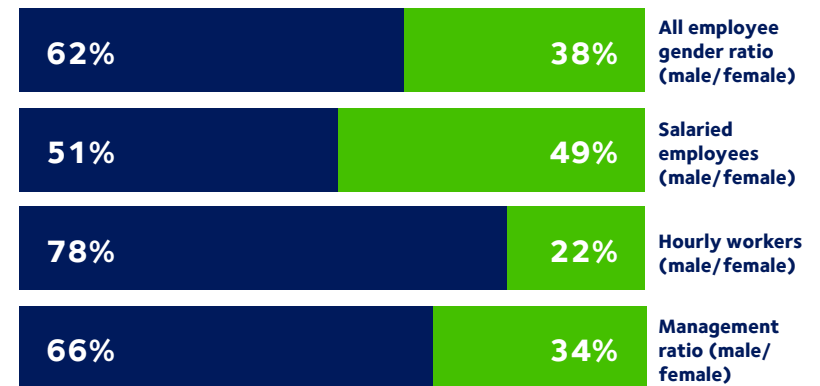
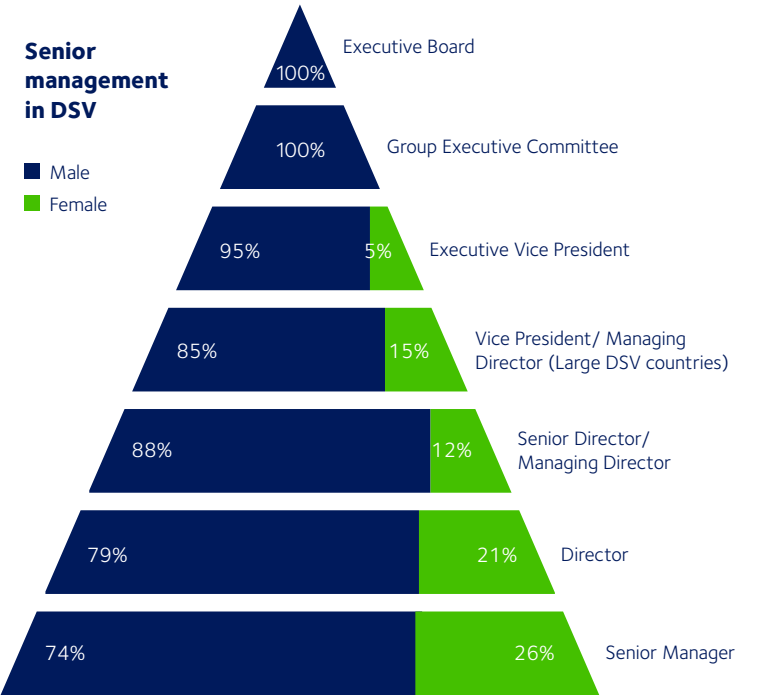
Worldwide, DSV employs people that come from 156 different national backgrounds. Our headquarters in Denmark alone has employees from 40 different nationalities. Globally, we employ the most people in South Africa, the United States and Germany.

We have employees in all age groups, and 22% of our staff have been with DSV for 11 years or longer.

### Looking ahead

In 2022 we will continue the roll-out of diversity and inclusion training to new managers. Furthermore, we are launching a second mandatory e-learning module emphasising diversity within the recruitment process.

We will continue to integrate diversity thinking into our global practices and processes, as we believe it is in everyday situations that change needs to happen.



# Development of employees

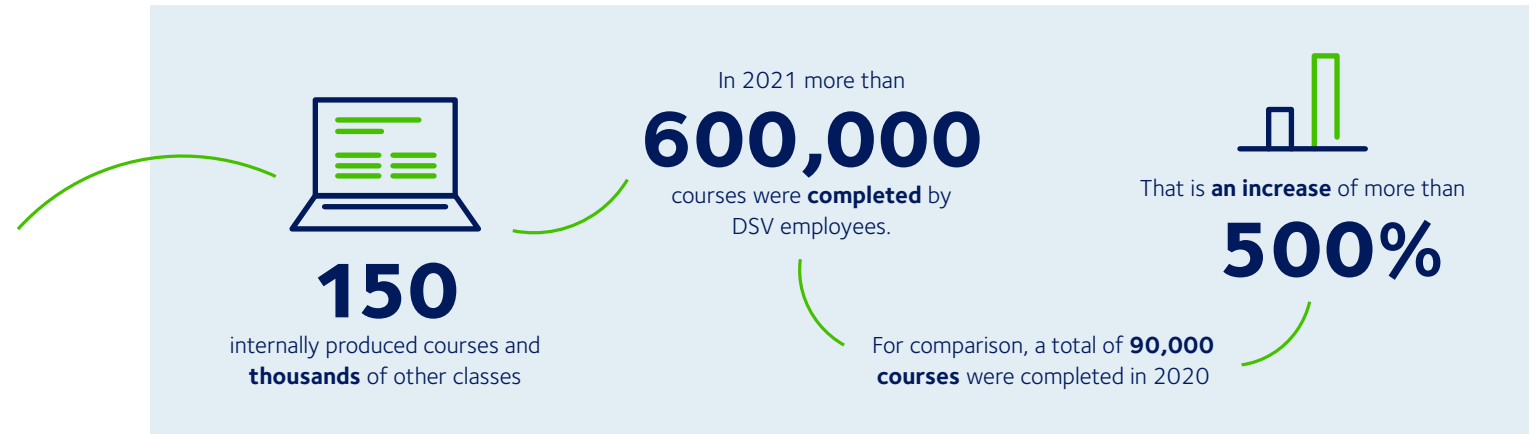
Investing in human capital is essential to DSV's strategy. Through a variety of training programmes, we empower employees to take on increased levels of responsibility and drive personal and professional development.

## DSV Academy

At DSV, we offer a large selection of different training programmes both locally and globally. The global options are organised through the DSV Academy and include topics such as leadership training, sales training, the degree programme, young DSV, language training, and customer service, etc. Some of the programmes are provided by internal trainers, while others are facilitated by external partners. In addition, the DSV Academy also houses a large selection of e-learning courses on our learning platform.

## Leadership in DSV

Within DSV, we have had global leadership training programmes for several years that have been continuously adjusted and adapted to support the needs of our leaders in relation to their daily tasks. In 2022, we will launch new and revised programmes at three different management levels, executive, middle manager and first line manager level. Common to the new programmes is that they use a blended learning approach of e-learning courses, online webinars and classroom training. The pro-



grammes are designed to support our Leadership promise: lead yourself, lead your team and lead your business.

## Online training

During the COVID-19 pandemic, all companies and educational institutions had to re-think how education and training could be delivered.

At DSV, we have had an online platform for e-learning courses for several years. Over the last two years, we have seen a huge development in both the number of users and the range of courses.

We currently offer more than 150 courses on our learning platform that have been developed internally and cover several different business topics. In addition, we have also integrated a library consisting of more than 10,000 e-learning courses covering a large variety of topics delivered by an external supplier.

In 2020, a total of approximately 90,000 courses were completed on our learning platform - in 2021, the number was over 600,000, which is an increase of more than 500%. In 2021 more than 50,000 users spent time on the learning platform. In the coming years, we will continue to focus on developing our online training offers.

## Local education and training

We support our employees and managers in their individual development both professionally and personally. This also applies if an employee or manager is looking for a course that is accessible via an external educational institution to obtain a certificate, degree or equivalent, provided that the course is relevant and supports current or future tasks and responsibilities.

For example, in Denmark, managers are offered an add-on to the global leadership programmes that have a more theoretical approach and are conducted via a local business school. The programme finishes with examinations, an official diploma and European Credit Transfer System (ECTS) points. We also see similar examples in other countries whereby, local management decides on individual education requirements.

## E-learning on outstanding customer services

To ensure that our employees are well equipped to participate in customer engagements, we have also developed programmes for customer service. This year, we launched the Customer Service Community platform, a combination of e-learning and webinar training, providing a unified approach to customer service, to help us achieve profitable growth and deliver value to our customers.



# Employee relations

In order to be an attractive workplace, DSV provides a number of benefits for all employees.

## Employee benefits

Our employee benefits illustrate the ongoing investment in our staff's well-being and future. We are committed to attracting, motivating and retaining talent at all local markets we operate in, with the combination of benefits provided by the DSV Global Employee Benefit Policy and local benefit schemes.

In addition to financial compensation, we provide a wide range of non-financial incentives to full- and part-time employees, depending on local market practices that include, amongst others, retirement/pension, health care and risk insurance plans, employee well-being programmes and international SOS travel assistance. These also include variable performance-based incentives such as local bonus plans and global long-term incentives, in the shape of a stock option programme, cf. the Annual Report note 6.3 and the DSV General Guideline for Incentive Pay for Employees.

## Employee turnover

In 2021, we had a total employee turnover of 24.4%, which is lower than 2020, where COVID-19 required us to reduce staff in line with our business needs.

The GIL integration also led to a reduction in staff, particularly at management levels and within double functions.

When we adjusted the numbers to account for the impact of the integration, our staff turnover rate was 21.9%, which we consider to be a reasonable level for our industry, especially in this year's labour market, where the global demand for employees is high.

In 2022, we will continue our efforts to retain employees at all levels of seniority, to maintain knowledge and competencies and to secure the company's long-term development.

## Human and labour rights

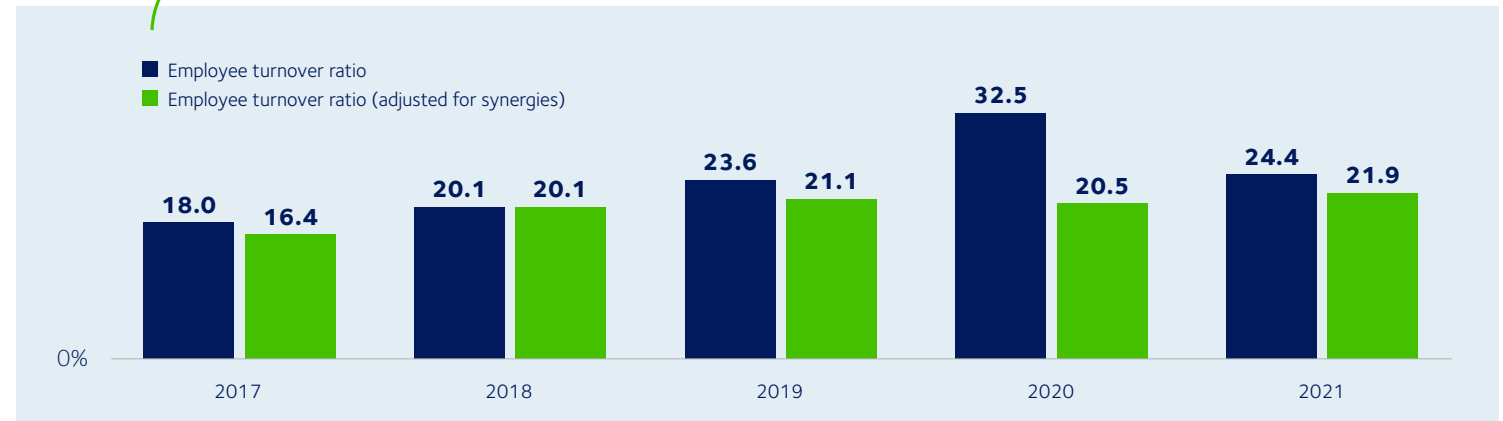
Human and labour rights are fundamental and should be protected at all times, as established under the International Labour Organisation (ILO) Conventions and Recommendations.

DSV is deeply committed to upholding human and labour rights throughout our organisation and supply chain.

We oppose discrimination, differential treatment, harassment, inappropriate or unreasonable interference with work performance and insist upon fair and equitable employment and decent working conditions for all. For further information, please refer to our Code of Conduct.

We are proud to note that we continue to maintain good relationships with labour unions and workers' councils in all countries where we operate, and currently, 28% of our employees are covered by collective bargaining agreements. As a result of the good collaboration, we have not faced any labour conflicts or related work disruptions during the last year.

## Turnover overview



# Health and Safety

We ensure that our employees remain safe, healthy and able to work, think and innovate at their full potential. Our Health & Safety Policy applies to employees and people who work with us in our locations.

The occupational health and safety strategy is rooted within the Board of Directors and the Executive Board to ensure that we continuously enhance our health and safety capabilities, increasing our operational quality and productivity while focusing on employee retention and wellbeing.

## DSV's Health & Safety Policy

Our Health & Safety Policy applies to all our employees and people who work for us in our locations, including suppliers. The foundation of the policy are the four main pillars: *Safe systems, Safe people, Safe equipment, and Safe workplace*, and promotes robust health and safety standards. We strive to reduce the risk of accidents, incidents and ill health by applying important health and safety controls such as emergency preparedness, risk management, continuous improvements and leadership engagement.

## Crisis management

Expanding upon our health and safety practices, DSV has a clear set of protocols and a highly specialised framework in place for crisis management. The incident response depends upon the severity of the crisis and its impact, and training of employees on the crisis response plan and business continuity strategy is carried out annually.



## Safe systems

- Identify and manage risks
- Ensure safe work practices
- Comply with legislation and other requirements

## Safe equipment

- Adhere to procurement standards
- Operate as intended
- Maintain to agreed standards

## Safe people

- Train competent staff
- Measure safety performance
- Drive improvements

## Safe workplace

- Ensure emergency preparedness
- Ensure safe storage and handling
- Manage risk in interactions



## Local action for health and safety

Across our organisation, DSV teams have addressed health and safety with creativity and passion. This year, employees in Panama and the Dominican Republic organised Quality, Health, Safety Environment (QHSE) awareness month. Employees participated in outdoor activities such as safety equipment exercises, construction and service providers presented talks on health and safety for all employees, suppliers and customers. The picture shows our employees in Panama signing a large banner to express their commitment to our Global QHSE Policy.



## Managing the COVID-19 crisis

The ongoing pandemic remains a significant reminder of our responsibility to keep our employees safe. This past year we were able to do that whilst maintaining productivity. An example of this is our Air & Sea team in Colombia, which responded to the pandemic by purchasing COVID-19 vaccines for all employees and contracting with a third-party professional to advise employees on pandemic-induced anxiety management.



At DSV, there is no greater asset than our people. We strive to continuously build upon our health and safety standards to make our work environment safer for our people.



Our commitment and focus in 2021 has resulted in a positive performance trend, which led to a two-digit reduction in our health and safety indicators that brought us below our annual targets

**Lost Time Injury Frequency Rate**

The Lost Time Injury Frequency Rate (LTIFR) has also decreased in 2021 and is now below our LTIFR target of five. Our overall performance has improved by more than 30% compared to 2020.

We continue to have a strong focus on improving our Health & Safety capabilities, and the 2021 numbers mark our lowest rate since 2017.

**Lost workdays due to lost time injuries**

In 2021, we saw a decrease in the lost workdays due to lost time injuries. Despite the ongoing effects of a global pandemic, the overall lost workdays rate developed positively, and we have recorded our lowest rate since we started to record this indicator.

**Sickness absence**

The sickness absence rate per FTE decreased in 2021. We note that this indicator includes an increased FTE due to the merger with GIL, however, we have not seen a spike in the amount of sickness absence days as a result.

**Revising our standards for health and safety**

In 2020, we implemented the Health & Safety Policy across all DSV entities and in 2021, we evaluated the maturity level of the entities and the effectiveness of the implementation. This gave us valuable information and identified gaps and improvement opportunities. Following the acquisition of GIL, we are evaluating the new locations to ensure that they meet our health and safety standards.

In 2022, we plan to publish a revised version of our Health & Safety Policy promoting a stronger focus on leadership, incident reporting and communication. This update will drive improvements that will ensure that our employees remain safe and healthy and able to work to their full potential.

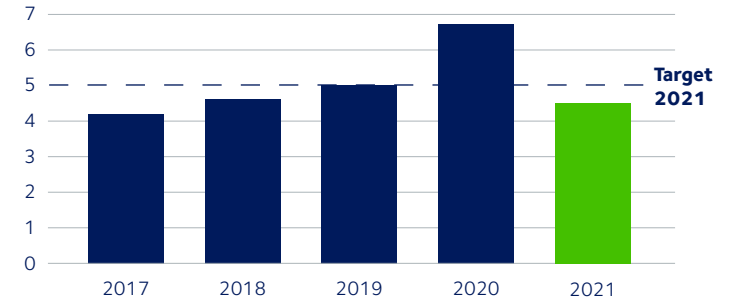
**Fatality in 2021**

However, sadly, in 2021 we saw one fatality, as a truck driver in South Africa was fatally injured while working at one of our locations. The event was followed up by an accident investigation that identified multiple factors contributing to the tragic outcome as well as areas of improvements, such as an increased focus on high-visibility PPE and training of frontline workers.

We are working diligently to ensure our zero fatality target by reflecting on learnings and continuously improving our health and safety framework to reduce work environment risks.

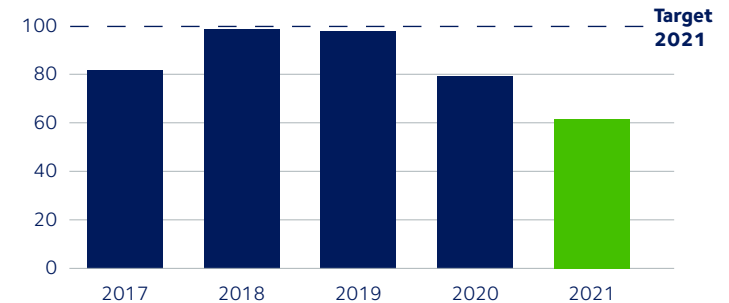
**Lost Time Injury Frequency Rate (LTIFR)**

(per million working hours)



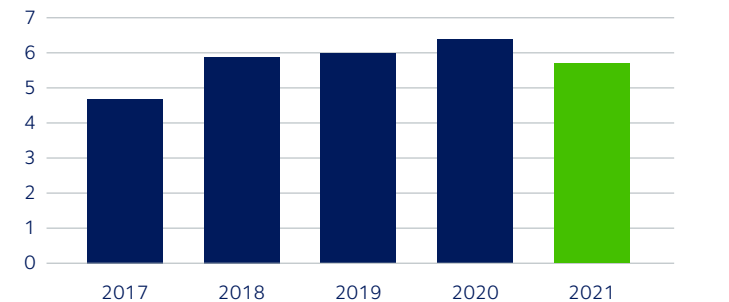
**Lost workdays due to lost time injury**

(per million working hours)



**Sickness absence**

(days per FTE)





# Environment

7 AFFORDABLE AND  
CLEAN ENERGY



9 INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



12 RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



13 CLIMATE  
ACTION



17 PARTNERSHIPS  
FOR THE GOALS





# Environmental management

At DSV, we explore all solutions, large and small, to combat climate change and support green solutions for the planet. As such, we maintain our commitment to also improve how we do things in our operations.

The transport and logistics industry is one of the largest sources of greenhouse gas emissions and must therefore be part of the solution to address climate change. As the world's third-largest transport and logistics company, DSV has a great responsibility and a key role to play in helping the industry transition to greener, more environmentally friendly practices. We must therefore consider how our continued growth, most recently through the acquisition of Agility's Global Integrated Logistics business (GIL) will affect our environmental and climate baselines, goals and increasing role in industry leadership.

We are committed to reducing our environmental impacts wherever possible. Our greatest ambition is to play a central role in our sector and on behalf of our customers, to combat climate change. In fact, most of our environmental impact is due to the greenhouse gas emissions which are generated by the subcontractors we engage to provide transport services to our

customers. In addition, we aim at reducing waste in our operations and further implementing sustainable building practices.

By working closely with our subcontractors and our customers to implement more sustainable logistics solutions, we will establish best practices within our industry, reduce global emissions, combat climate change and ultimately help our customers achieve their sustainability goals.

## EU Taxonomy

Although our activities are currently not encompassed by the EU Taxonomy, we strive to do our part in contributing to combatting climate change and reducing the climate impact of our operations as a responsible business through various targets and initiatives, as addressed in Environment section of the report.

## Achievements 2021

- ✓ EcoTransIT World was implemented globally to measure emissions related to all customers' transport across air & sea, road and rail
- ✓ Green Logistics launched offering green services and products for our customers
- ✓ Internal Ambassador Network built to support the environmental targets and strategy
- ✓ We conducted a global internal survey to help identify and assess the current state of waste management within all countries

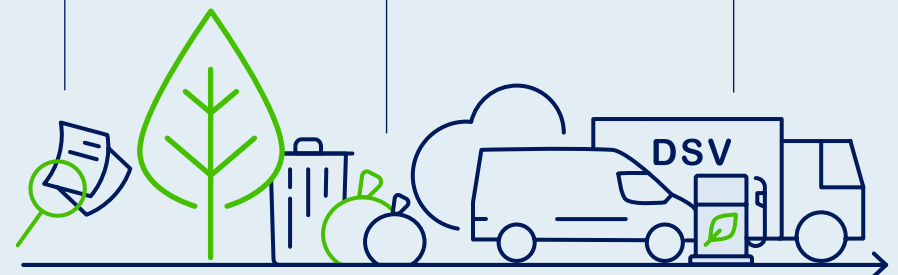
## Targets 2022

After GIL takeover re-evaluate and **set a new baseline for science-based targets** aligned with the ambition to limit global warming to 1.5 degree above pre-industrial levels

Adopt a Group-wide Waste Management policy to set new targets on **waste reduction**

Sort waste for **recycling** on a minimum 80% of square metres in buildings

Achieve a 100% compliance with **DSV corporate car policy**





# Environmental performance

During 2021, we completed the acquisition of Agility’s Global Integrated Logistics business (GIL). Due to its scale, this business transaction had an inevitable impact on our overall emissions.

## Science-based targets

We continue to work towards reducing our emissions in accordance with the Science Based Targets initiative (SBTi). Our approved science-based targets aim to reduce our CO<sub>2</sub> emissions by 2030 from a 2019 baseline year. However, the acquisition of GIL impacted our ability to accurately assess historic emissions performance against current progress. To get a comparable baseline, we will recalculate a new emissions baseline to reflect our larger business size and adjust our science-based targets accordingly. Throughout this process, we plan to evaluate how best to align with the 1.5°C warming scenarios and net-zero greenhouse gas emissions target.

Additionally, to allow for historic emissions comparisons as we continue to grow our business, we are considering framing our science-based targets in terms of emission intensity.

## Developments in Scope 1 and 2

Our Scope 1 and 2 emissions are generated from company cars,

own truck fleet, and buildings. Despite these being less significant than our Scope 3 emissions, the primary impact of the GIL acquisition was to our Scope 1 and 2 emissions.

### Vehicles

In 2021, our company car emissions declined by 23% thanks to the DSV corporate car policy, which promotes plug-in hybrids and electric vehicles. While this reduction will not significantly impact our total emissions, integrating smaller emissions reduction programmes throughout our organisation support our overall mission to meet our science-based targets.

### Own truck fleet

We saw a significant increase in our truck fleet emissions this year, mainly due to the increase of our own diesel-powered trucks acquired through the integration of GIL. We also expect to see our truck fleet emissions increase over the next year as we complete this integration. Although it is a minor contributor to our total organisational emissions, we plan to optimise our truck fleet through lower emission fuel and optimal loading.

### Buildings

In 2021, Scope 1 building emissions remained consistent, even with our larger physical footprint. However, Scope 2 emissions increased due to recently acquired GIL sites, mainly located in geographically warmer locations, which were responsible for the increased total energy consumption due to higher cooling demands. We also believe that the impact of the COVID-19 pandemic has affected our Scope 2 building emissions. The long-term effects of the pandemic and the changes to office utilisation (and corresponding impacts on office energy use) remain to be seen.

## Developments in Scope 3

Our Scope 3 emissions cover business travel and third-party transport from air, sea, road and rail service providers. Large-

ly due to the increase in transportation activities amidst the post-pandemic trade recovery and the acquisition of GIL, which also expanded our volumes globally, we saw an overall Scope 3 emissions increase.

### Road

There were higher emissions in the road transport due to the increased freight volume in our road business as well as the GIL acquisition. On the positive side, we saw improved overall road transport emission intensity and updated methodology from EcoTransIT World (our transport emission calculation tool) allowed us to benefit from increased data accuracy and quality.

### Air

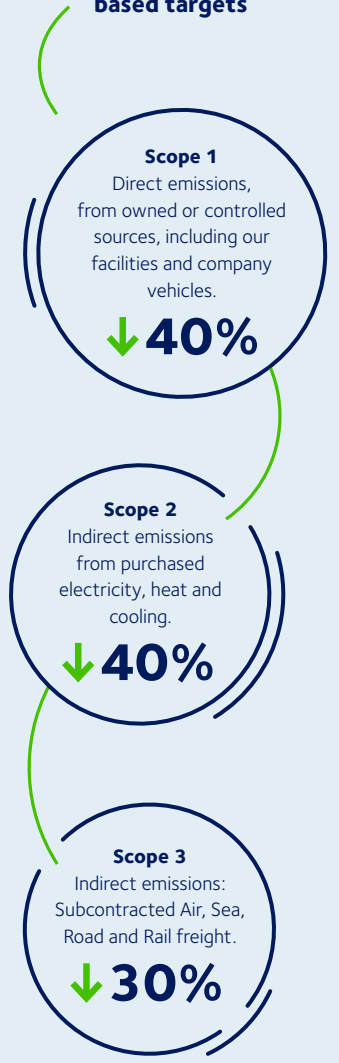
As we expanded our operations and experienced growth from volume increases and the GIL acquisition, we saw an increase in absolute air transport emissions. Despite the absolute emissions increasing, we saw an improvement in air transport emission intensity.

### Sea

Sea transport saw a similar trend characterised by increasing absolute emissions coupled with improved sea transport emission intensity. We also enhanced our insight into sea transport emissions data utilising our EcoTransIT World solutions and aiming to add even greater transparency.

In general, the energy efficiency of third-party provided air, sea and road transport services is improving steadily. Therefore, we expect the emissions intensity from third-party transport services to decrease over time, despite our projected growth. We will continue our robust programme of supplier engagement to ensure that these emissions decrease wherever possible, and we will continue to analyse the impacts of the GIL acquisition on our Scope 3 emissions going forward.

## DSV 2030 science-based targets



As well as reducing CO<sub>2</sub> emissions, we remain committed to improving our operations by mitigating the waste-related impact and applying green building standards to all new facilities.

### Waste management

In addition to our commitments to combating climate change through emissions reduction, we consider our role in waste management and reduction a material topic. We are committed to minimising the environmental impact of waste from our services, to decrease the amount of waste sent to landfills and increase the circularity of our operations and across our value chain.

Taking on our continued recycling efforts, we conducted a global internal survey to help identify and assess the current state of waste management across DSV locations. Based on this survey, we defined our approach and strategic objectives on waste management:

- Increase circularity of DSV operations by keeping packaging materials and other products in use for more extended periods.
- Continuously review existing operations to identify new opportunities for waste reduction.
- Avoid unnecessary plastic in all operations.
- Support and promote innovation and internal initiatives to reduce the use of plastic wrapping, cardboard and other packaging materials.



### To set our future waste reduction targets and increase our awareness, we piloted collection of waste-related data in selected warehouses in Europe.

Total solid waste, ('000 kg)	<b>5,405</b>
of which hazardous waste, ('000 kg)	<b>181</b>
of which non-hazardous waste (all other types of waste), ('000 kg)	<b>5,224</b>
Solid waste directed to disposal, ('000 kg)*	<b>3,946</b>
Solid waste diverted from disposal (the rest), ('000 kg)*	<b>1,459</b>

\* Landfill and incineration

**In 2022, we will expand the number of DSV sites, where we collect and report data on waste.**

## More sustainable and smarter buildings

One area in which we can have a lasting positive effect on our operational climate impact is by improving the sustainability performance of our buildings through the application of green building standards in all new facilities. These standards include BREEAM, LEED, DGNB and Energy Management certifications ISO 50001 as well as ISO 14001 where applicable. Low energy lighting, energy-friendly roofing, smart electricity technology and a minimum lifespan of 50 years are built into all new constructions.

### DSV Hedeland, Denmark

DSV Hedeland was constructed to consolidate numerous services into one larger facility, enhancing collaboration and allowing us to offer a truly integrated supply chain solutions for our customers. This construction project also achieved the DGNB Silver certification, aided by practices including recycling of excavated material, safeguarding employee health through the implementation of filters against harmful nitrogen and the installation of rooftop solar panels with accompanying battery storage.



### Gauteng Park, South Africa

To ensure that our new Gauteng Park facility is aligned with our global standards of environmental sustainability and employee safety, we worked closely with contractors to build in biometrics, 1.6 MW of available solar, water and energy saving mechanisms, as well as with the local community to source vehicles and resources.



# Addressing our greatest climate impacts

At DSV, we take short-term actions and employ a long-term vision to help decarbonising global transport and logistics.

Our Scope 1 and 2 emissions are important and need to be addressed. However, the largest contributor to our greenhouse gas emissions are the Scope 3 emissions, which are attributable to subcontracted logistics services we rely on to deliver our customers' cargo.

To start addressing these impacts, we have launched DSV Green Logistics, a catalogue of green solutions that will reduce greenhouse gas emissions from logistics services and enable our customers to work towards achieving their emission reduction goals over the short and long-term.

## Our immediate short-term focus

The transportation sector is seeing rapid advances in new and sustainable fuels and technologies across all modes of transport. Different fuels are at various stages of evolution and scalability. The development and adoption of these alternative fuels and technologies also vary according to the mode of transport. DSV wants to be among the frontrunners and further the industry transition towards different sustainable transportation technologies.

## Green Logistics products and services include:



### Track and trace — CO<sub>2</sub> reporting

CO<sub>2</sub> reporting offers customers a comprehensive overview and analysis of the greenhouse gas emissions that result from the services we provide to them. We support our customers' environmental ambitions by reporting credible, EN16258 and GHG protocol compliant, CO<sub>2</sub> emission data of all cargo transported by DSV, using one of the leading emission reporting systems – EcoTransIT World.



### Fuel your green transition — Sustainable fuel

Through our partnership with United Eco-Skies and Good Shipping, our sustainable fuel solution allows our customers to select alternative fuels that emit lower greenhouse gas emissions across their various trade-lanes without any change in quality or speed of operations. DSV manages the end-to-end process and provides knowledge, facilitating services and accreditation. This includes Sustainable Aviation Fuel (SAF) and externally verified biofuel certificates, to ensure full compliance in sourcing of alternative fuels. We are also exploring future uses of renewable fuels for other vehicles including trucks.



### Rethink your logistics – Green supply chain design and optimisation

By greening and optimising supply chain design, our customers can improve their supply chain logistics and reduce their carbon footprints. We enable customers to gain maximum environmental and operational benefits by utilising emission analysis, network and supply chain optimisation offerings.



### Compensating the carbon footprint — Carbon offsetting

Carbon offsetting allows companies to invest in sustainable environmental projects to compensate for their emissions. Typical projects include initiatives such as planting trees and renewable energy projects. The DSV offsetting programme works through its partnership with Gold Standard. Through a six-step process, our customers receive certification from Gold Standard for their carbon offsetting investment.

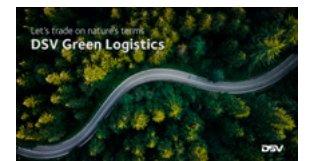
Green Logistics is the first step in our commitment to address our largest climate impacts. Currently, our Green Logistics offerings, illustrated on this page, empower customers to reduce greenhouse emissions in their supply chains through carbon footprint reporting, supply chain analysis and sustainable fuels. Through options to invest in environmental projects, they can also compensate for their CO<sub>2</sub> emissions.

## The evolution of Green Logistics

Over time, it is expected that the transportation industry will see some big developments in different transportation technologies and fuels, and DSV wants to be a part of this change.

During the last part of 2021, we started the next phase of our Green Logistics programme. The goal of this was to ensure that we have the right know-how and expertise to leverage the low carbon fuels and technologies when they are ready for use at scale. During 2022, we will start to evaluate and map out the expected pathway for different sustainable fuels across air, sea and road freight. From applicability to availability to scalability, this project will help consolidate DSV's perspective on the future of transportation fuel as well as inspire informed decision making and concrete action to support DSV's and our customers' decarbonisation journeys.

DSV operates on an asset-light model, and we do not own the vessels, aircraft or vehicles on which our customers' cargo is transported. While this implies a certain degree of dependency on our subcontractors' adoption of sustainable fuels and technologies, DSV believes that it is crucial for us to think beyond these constraints and deploy innovative solutions in order for us to meet our science-based targets. Hence, along with working closely with our subcontractors on the evolving fuels and technologies, we also work independently with other players in the value chain to explore innovations solutions with sustainable fuels.





Our efforts to mitigate the climate impacts of logistics services over the long-term are based on our commitment to the monitoring and deployment of new technologies across air, sea and road freight.

### Looking ahead

Besides our own efforts related to emission reduction and optimisation, we also look at new sustainable fuels and technologies to achieve our science-based targets, as they will play a key role in the decarbonisation of transport. With a number of sustainable fuels and technologies in early stages, policy and regulatory regimes varying from country to country and different sector-specific characteristics, the pathway to decarbonisation via sustainable technologies is unclear, but nevertheless, one that DSV needs to pursue.

Hence, while studying these sustainable fuels and technologies, the specific market characteristics of the different modes of transport need careful evaluation. For air and sea freight, the market is consolidated with a limited number of mid to large-sized carriers that set the global direction for sustainable fuels and technologies for these modes. In contrast, for road freight, the market is largely fragmented and composed of many small trucking companies. The policy and regulatory regime also vary from one country to another. As such, a country specific focus and evaluation of sustainable fuels is more viable and useful for road freight.

### Air freight

Sustainable Aviation Fuel (SAF), a common term for aviation fuel produced from sustainable feedstocks, is the most promising decarbonisation pathway for aviation in the near future. Other technologies are either too nascent (e.g. electric) or remain speculative at the moment (e.g. hydrogen, synthetic SAF). DSV's focus in the near future is to offer innovative decarbonisation solutions to our customers using SAF.

### Sea freight

In the marine transport sector, there are several alternative fuels that are available or in research and development phase, with different carriers focusing on different fuel technologies and pathways to decarbonise their operations. Biodiesel or bio marine fuel is a unanimously accepted 'transition' drop-in fuel to decarbonise shipping, but there are limitations to its scalability due to its dependence on biomass.

There are also other longer-term alternative technologies, such as ammonia and hydrogen, that are still in the research and development phase and, something DSV tracks to find the best possibilities over time.

### Road freight

There are several fuels and technologies available or being developed for road freight. Similar to marine transportation, biodiesel and Hydrotreated Vegetable Oil (HVO) are widely expected to be a key supplemental decarbonisation pathway, but not the primary one.

Hydrogen (Power-to-X) and electricity are two fuel types/technologies which are emerging to be the top contenders for the true zero-carbon solution for road freight. They are already developed to a certain stage and there is a proof-of-concept, but they require enormous scaling.

DSV considers hydrogen a key component in our decarbonisation strategy for road freight, and we have joined forces with key industry players in important partnerships (H2RES, Green Fuels for Denmark) to drive the development and adoption of hydrogen.

Entering into these project partnerships gives us key insight into the Power-to-X development, preparing us for the future pathway of the development of hydrogen as a transportation technology. We are also closely following the development of various truck types and needed infrastructure to seek the right way forward. Over 2022 and 2023, we will also be exploring the feasibility of adopting electric trucks.



### Partnership with Cardiff University to create a RemakerSpace™

As an asset-light logistics company, partnerships are a key area of our sustainability strategy. To help our customers accelerate their transition to a more sustainable and circular supply chain, in 2021, DSV announced the opening of a new RemakerSpace™. The RemakerSpace™ is a not-for-profit research centre, located in a new \$300 million innovation campus, which forms part of DSV's longstanding partnership with Cardiff University.

The RemakerSpace™ provides leading-edge research, training and equipment to support DSV in expanding our service offering to include the testing, repairing and repurposing of our customers' products across DSV's global network of facilities.

With this, DSV can help extend product life cycles and thereby help our customers dematerialise and decarbonise their global supply chains.



# Our integrity



# Responsible business

Unethical conduct can adversely impact society and expose organisations to significant risks. Being a trusted and compliant company is essential for our long-term business success.

DSV has a zero-tolerance approach towards bribery and corruption. Our commitment to complying with applicable laws and regulations, such as the UK Bribery Act and the US Foreign Corrupt Practices Act. These guide the standards we set for policies, procedures and our compliance culture within DSV, which in turn supports our goal of being a trusted business partner.

To guide this approach, we conduct an annual assessment of all our operations for risks related to corruption-related risks and business conduct in general. The assessment forms the basis of the controlling of our policies and procedures in our operations.

We are present in regions where there may be a higher risk of human rights issues, which we work to address through our Fair Labour Programme with specific policies, procedures and training. The Programme will be developed further in 2022 to maintain our commitment to ensuring all DSV employees or those working on behalf of DSV are safe and treated decently and with dignity.

Our Code of Conduct further supports this commitment and guides employees on which behaviour is expected from them as well as setting the standards for DSV's principles. We carry out training of the Code of Conduct for all employees to ensure this is understood and reflected throughout the organisation.

Our Supplier Code of Conduct helps us to ensure that our commitment and ethical principles are endorsed throughout our supply chain. Finally, any breaches of the Codes of Conduct are encouraged to be reported to DSV's whistle-blower system so appropriate action can be taken.

## Achievements 2021

- ✓ Code of Conduct E-learning was automatically assigned to all new salaried employees as part of their onboarding
- ✓ 100% of all salaried employees in scope were trained on the Code of Conduct
- ✓ Improved Third Party Risk Management Programme was rolled out with pilots currently running and full roll-out will be initiated in 2022
- ✓ Supplier Code of Conduct distributed to all suppliers with a yearly spending of more than EUR 25,000 by 88% of all operations
- ✓ Over 400 supplier audits were performed through remote audits, questionnaires and checklists

## Targets 2022

Training of all salaried employees on the **Code of Conduct E-learning** (all employees must at all times have received training within the last 24 months)

Onboarding of all new suppliers into the Third Party Risk Management Programme through a centralised process and risk mitigation

Performance of 500 **supplier audits**





# Ensuring ethical behaviour

Our Code of Conduct sets the standards for our behaviour and helps us implement our requirements across our value chain.

As our Code of Conduct (CoC) sets the basis for our principles and our behaviour, we take active steps to ensure this is communicated and understood by all employees and that it is always up to date.

- The CoC is accessible to all employees and external third parties.
- As part of the recruitment process, all new employees are required to read and confirm receipt of the CoC.
- The CoC is reviewed annually to identify whether any material updates are required and ensure these are incorporated into the organisation.

## Training

All employees are required to complete CoC training through the global e-learning programme or through local training. In 2021, the global Code of Conduct E-learning programme was extended to be assigned to all salaried employees, which were previously covered through local training programmes.

This training resulted in a 100% completion rate for all employees in scope, approximately 30,400 salaried employees. In 2022 E-learning will continue to be assigned to all new salaried employees or those that completed it more than 24 months ago.

## Supplier Engagement

We build partnerships with our suppliers through direct and open communication. This requires a comprehensive and clear framework for management, onboarding and screening of our suppliers. Maintaining our commitment to ethical standards throughout our supply chain depends on each supplier adhering to agreed-upon policies and procedures. The DSV Supplier Code of Conduct outlines our expectations, and we require it to be distributed annually to all suppliers where we have a spend of more than EUR 25,000. In 2021, 88% of our operations distributed the Supplier Code of Conduct to all suppliers with a spend of over EUR 25,000. The acquisition of Agility's Global Integrated Logistics business (GIL) has delayed the remaining operations, which are still ongoing.

We track the performance of our suppliers and conduct supplier audits within our operations regularly to ensure that the applicable standards are met throughout the supply chain. In 2021, we conducted more than 400 audits allowing us to review operations throughout the supply chain and have set a further target of 500 supplier audits in 2022.

## Third Party Risk Management Programme

In 2021, we piloted the new global Third Party Risk Management (TPRM) programme. The programme is a centralised global risk-based approach to third-party vetting, assessing, approving and monitoring. The programme optimises the already-ongoing local initiatives to third-party management. We will initiate the complete roll-out in 2022.

The TPRM programme vets suppliers in accordance with the standards set by the Supplier Code of Conduct. This includes an anti-bribery assessment and applying our health & safety standards to suppliers within particular high-risk transports.



**In 2021, 47 reports were made through the whistleblower system. However, none of them were confirmed cases of corruption.**

The programme will be expanded upon to include various other topics, such as environment and other industry-specific requirements. It will be rolled out for all new suppliers in 2022.

Once a supplier is onboarded into the TPRM Programme, they are continuously monitored in accordance with their risk. The programme then also determines how and when a follow up is needed on a given supplier depending on their risk, for example, audits, refresh of assessment or re-sending of DSV requirements.

## Whistleblower

DSV provides a whistleblower system for employees or external parties to report any potential misconduct.

The whistleblower system, hosted by an external provider, can be accessed through an app or a website portal where reporters can safely express their concerns. Reporters can choose to stay anonymous throughout the reporting and investigation process, with the knowledge that their safety and protection is our priority, and in no way will they be prejudiced, disadvantaged or harmed in their position as a consequence of reporting an incident.

We encourage all employees and external parties to report any knowledge, concerns or suspicion of misconduct through any internal channel they feel comfortable using, whether through the whistleblower system, HR or their direct manager. Regardless of the channel used, a reporter is always protected from retaliation when reporting.

# A responsible approach to tax

With operations in more than 90 countries worldwide and due to the scale of the organisation, we face various operational, financial and reputational considerations that require our attention. This is also the case with respect to compliance with tax laws in the countries where we operate.

## Our tax contributions

Paying taxes is part of our role in society and through our tax contributions to the countries and communities where we operate, we, directly and indirectly, support the local communities. Our tax payments indirectly contribute to achieving all the UN's Sustainable Development Goals that require tax-funded investments as shown in the overview on the next page.



**Read our Global Tax Policy:**  
<https://www.dsv.com/en/global-tax-policy>

In 2021, we contributed with direct and indirect taxes such as corporate taxes, VAT, GST, duties etc. in more than 90 countries, and our corporate tax payments amounted to DKK 2,263 million. More information about the tax contributions from DSV can be found in the DSV Annual Report note 5.1 and 5.2 and in the Cash flow statement.

## Tax governance

DSV is committed to complying with the tax legislation. Our tax governance framework, including our Global Tax Policy approved by the Board of Directors is the basis for our approach to tax. It guides our decision-making regarding all tax affairs and highlights our strong focus on compliance.

We have a strong governance setup, shown in the figure on the right side. The risk management framework is implemented to monitor and manage risks and ensure our adherence to the policy. Tax matters and tax risk management are reported to the Audit Committee on a periodic basis. DSV believes that this enables sustainable tax payments that our stakeholders can rely upon.

To create transparency and facilitate standardisation of our reporting on tax governance and our approach to taxes in general, we are using the GRI 207: Tax reporting standard as guidance for our disclosures on our management approach to tax.

## Tax planning and use of tax incentives

DSV pays taxes in the countries where we operate and where our profits are generated. We see tax as a cost and use local incentives and tax relief in accordance with the law. DSV's setup is driven by our strategy and commercial priorities – not tax incentives or tax planning.

That means we do not create artificial structures in tax havens to avoid taxes on activities, nor do we engage in tax planning which moves revenue from high- to low-tax countries to minimise tax payments.

To maintain end-to-end supply chains for our customers, we have operational entities in countries that may be commonly regarded as tax havens. As an example, DSV has operations in Panama to secure transport to and from the country, however Panama is classified as a non-cooperative tax jurisdiction in the EU.

Role	Responsibility
Boards of Directors	Overall responsibility for Global Tax Policy and reviewing it annually as well as for the framework for compliance with tax legislation.
Group CFO	Day-to-day responsibility for tax management.
Group Tax	Supporting Group CFO and managing tax framework and issues guidelines to ensure tax legislation is complied with. Monitoring and assessing updates to tax law.
Subsidiary Management	Local management is responsible for ensuring compliance with tax legislation and implementing DSV's tax principles. Monitoring and assessing updates to tax law.

DSV does not support non-operational entities in identified tax havens but does occasionally inherit offshore companies from acquisitions. Whenever this is the case, it is a priority to eliminate them as soon as possible. However, this is often a very time-consuming process. In 2021, we continued our efforts to liquidate non-operational offshore entities. A work that we expect to continue and complete over the next few years.

### Managing tax risk

During the normal course of business, uncertainty about the word and the intent of the law can lead to positions whereby the situation is not fully clear. The positions and actions we take to ensure uncertainty are appropriately addressed depending on the matter and are governed by our Group Tax department and signed off by the Executive Management.

### Open dialogue with the tax authorities

Our approach to tax is to participate in cooperative relationships with tax authorities when possible. This is the case in matters on both national and international levels and is driven by our Group and local Tax functions.

Using this approach, we seek an open dialogue with the authorities in countries where this is possible, therefore securing an aligned and compliant process upfront instead of lengthy tax disputes. This is best illustrated in Denmark, where DSV has participated in tax governance cooperation with the Danish tax authorities for many years.

### Looking ahead

In 2022 we will continue to strengthen our focus areas, including the on-going integration of GIL into our tax and compliance framework.

Furthermore, we are adapting business processes and assessing the impact on our business that we expect from international tax reforms, especially the OECD BEPS 2.0 and increasing disclosure requirements and effects of local legislative developments.

We are currently updating our procedures to enable even more transparency in our public disclosures and interactions with stakeholders in the future. This process will continue into 2022.

Finally, we will continue our efforts to embed the policy and our tax control and risk management in our business by strengthening processes and increasing awareness in the organisation, secure that we continue to operate and drive an optimised and compliant tax approach.

## Total tax contributions overview

### Corporate income taxes

are generated in the countries where we have a local presence, such as an office or warehouse. We are where our customers need us, and therefore present in more than 90 countries.

### Customs duties and VAT for shipments

are generally paid by the shipper, but DSV also pays VAT/GST when doing the transportation across borders for our customers.

### Our suppliers pay their own taxes

DSV subcontract transportation and does not own trucks, planes, trains or ships the cargo goes on. DSV pays the suppliers, who in turn pay their own taxes.

### Employment taxes

DSV withholds employment taxes across the world on behalf of our employees when applicable according to local legislation. This includes taxes on salary and most social security payments.

### Fuel and road taxes

DSV pays fuel duties and road taxes for our road freight transportation.



# Data ethics and cybersecurity

We are committed to responsible and secure data handling throughout our business and global organisation.

DSV collects, generates and utilises a great deal of data to run our business and deliver our logistics services to our customers. Examples include customer, supplier and contract data, consignment information, geolocation data and personal information from our more than 75,000 employees worldwide. We also apply internally generated data from machine learning and artificial intelligence in our daily operations.

We are fully committed to handling data ethically and complying with all legal rules and regulations on data usage, storage and processing. We ensure that these are duly reflected in our internal policies, business processes and control frameworks as part of our business operations. This includes full compliance to local and international data privacy regulations, including the European Union's General Data Protection Regulation (GDPR). We also continually upgrade our data privacy tools to meet all relevant regulatory requirements.

Data integrity and security depends on employee vigilance. Training and raising awareness on all aspects of data handling, from ethics to security considerations, is mandatory for all employees. We build awareness of these by requiring all employees to pass yearly code of conduct and cybersecurity training programs as well as various housekeeping campaigns. We also conduct training for business teams that are particularly exposed to specific data privacy aspects, such as HR, Marketing, and IT. This ensures that our organisation is kept up to date with requirements and developments for all relevant data handling and data security.

## Data privacy & cybersecurity

Ensuring data privacy is essential to our work as a trusted business partner. Whether our customers are negotiating transport services or exploring our websites, they entrust their personal data to us. We protect this sensitive information as we do our own business data through several secure solutions.

As technology proliferates, the need for cybersecurity has also increased. Our response to the threat of privacy breaches incorporates continuous updates and monitoring of existing privacy regulations as well as compliance with local and international data privacy laws, including GDPR.

Employee vigilance is key to protection against data privacy breaches. Simply Secure is our information security programme for all employees. The programme promotes awareness through monthly newsletters, e-learning, intranet news articles and an online platform. In 2021, we also increased the scope of our security awareness campaigns to include targeted campaigns for employee groups most prone to email phishing. We have seen positive developments in terms of employee behaviour, and results indicate that we are performing well compared to the global benchmark.

DSV's approach to information security reflects our corporate strategy and values by ensuring that appropriate safeguards are in place to preserve confidentiality, integrity and availability. This enables DSV to maintain data securely, with lower risk and reduced impact of disruptive events, support business continuity, comply with laws and regulations and ensure that our customers' information is treated with utmost care and confidentiality.

During 2021, our cybersecurity setup managed to keep our data safe and no breaches of customer privacy data occurred.





# Community engagement



Supporting and giving back to the communities in which we operate is essential to our commitment to corporate sustainability. In 2021, we continued our community engagement, which is centred around our partnership with the Danish Red Cross. This was done through the Red Cross | Red Crescent movement and supported by local activities around the world.

#### Logistic services

The Danish Red Cross' expertise in disaster response work and DSV's logistical competencies are essential to respond quickly to disasters anywhere in the world. Our shared focus on disaster relief and always being prepared is the core of our partnership, and we are proud to support emergency response around the world through several activities.

#### Warehouse

We donate 2,000 m<sup>2</sup> of warehouse space in Copenhagen to the Danish Red Cross. This facility is designed to suit the specific needs of the Danish Red Cross in the best possible way by storing emergency relief equipment and providing a space where disaster relief teams can train for deployment. The warehouse location also provides easy access to highways, ports and airports, which is important when a disaster occurs.

#### Transport

In 2021 when personal protective equipment became essential to slow the spread of COVID-19, DSV donated transport for 15 million face masks to frontline health workers and elderly people in countries such as Bangladesh, Iraq, Kenya and Belarus. Through the Danish Red Cross, Danish companies had donated these masks to those who otherwise would have been without them.

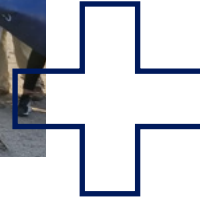
#### Focus on COVID-19 response

In 2021, DSV directed its financial impact towards the global COVID-19 pandemic and mitigating the effects of the environmental crisis on human lives and communities.

We have supported the Danish Red Cross' COVID-19 response in the most vulnerable communities around the world along with the COVID-19 Vaccines Global Access (COVAX). A crucial part of Red Cross' work is focused on prevention through informing locals about COVID-19 and giving advice on how to best avoid the virus through for example, physical distancing and wearing masks. They have also focused on supporting improved hygiene behaviours and addressing rumours and misconceptions.







### Local priority

At DSV, we wish to make a difference for the local communities in which we operate, and we encourage local support across DSV. Our local engagement varies from country to country, but all of our local projects have important impact on where we operate.

### World Clean-up Day

This year, DSV participated in World Clean-up Day, an annual global event uniting millions of people to clean up litter and mismanaged waste. This initiative supports DSV's corporate sustainability strategy, aiming to use resources responsibly, recycle and maintain a clean environment.

In Israel, employees from both Ashdod and the main offices in Modi'in chose to embark on a beach cleaning mission, collecting plastic bags, bottles, straws and other types of waste. In South Africa, at DSV Park Gauteng, the QHSE team cleaned up litter near their offices. In Port Elizabeth, DSV employees took to the streets outside their office park to pick up roadside litter and cleaned up litter in a public park.

### Our way forward

DSV has supported the Danish Red Cross for the last five years, but we have changed our partnership, so going forward, our contribution to the work of the Danish Red Cross will be centred around the warehousing solutions that we make available for the organisation. GIL came with a strong community engagement programme which we will explore more in the coming year, just as we will explore the possibilities for implementing an even stronger local community engagement setup.

### Shared focus on climate change

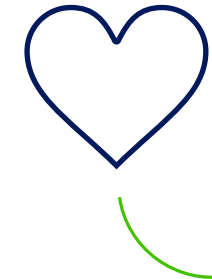
DSV continued to work towards improving the climate and this has also been included in the partnership with the Danish Red Cross during 2021. We all feel the consequences of climate change, but the extent of the consequences depends on where in the world you are and your ability to withstand the changes. In 2021 DSV has supported two different initiatives:

#### Climate change adaptation

The Danish Red Cross project, Climate Change Adaptation, supports geographic areas and vulnerable populations in the places around the world where climate change is most destructive. Their strategy is to strengthen resilience-building initiatives, and this includes protecting farmland and crops from the impacts of climate change, improving access to clean water, and diversifying nutritional intake.

#### Forecast-based action initiative

The Forecast-Based Action initiative provides people with the help they need before severe flooding and other challenges occur. By analysing meteorological data, water levels and risk exposure, disasters can be better predicted and relief funds can be released before the disaster strikes.



### The Danish Childhood Cancer Foundation

DSV supports the Danish Childhood Cancer Foundation through an annual employee fundraising initiative. Our donations aid vital research into children's cancer and contribute to improving the lives of the children and their families. We have contributed to this important cause for 15 years and plan to continue this ongoing employee effort.

# Factbook

(SEASONALLY ADJUSTED)



SHIFT INDEX





# Management Statement regarding the Sustainability Report



The Board of Directors and the Executive Management have today considered and approved the Sustainability Report of DSV A/S for the reporting period 1 January – 31 December 2021.

The ESG Data in the Sustainability Report has been prepared in accordance with DSV's stated sustainability accounting policies ("Accounting Policies").

In our opinion, the Sustainability Report for 2021 gives a fair presentation of the Group's sustainability activities and results of our sustainability efforts in the reporting period as well as a balanced presentation of our environmental, social and governance performance in accordance with the Accounting Policies.

Hedehusene, 9 February 2022

## Executive Board:

**Jens Bjørn Andersen**  
CEO

**Jens H. Lund**  
COO and Vice CEO

**Michael Ebbe**  
CFO

## Board of Directors:

**Thomas Plenborg**  
Chairman

**Jørgen Møller**  
Deputy Chairman

**Annette Sadolin**

**Birgit W. Nørgaard**

**Marie-Louise Aamund**

**Beat Walti**

**Niels Smedegaard**

**Tarek Sultan Al-Essa**



# Independent limited assurance report on Environmental, Social and Governance data

*To the Stakeholders of DSV A/S*

DSV A/S engaged us to provide limited assurance on Environmental, Social and Governance data stated on pages 42–46 in the Sustainability Report of DSV A/S for the period 1 January – 31 December 2021 ("the ESG Data").

## **Our conclusion**

Based on the procedures we performed and the evidence we obtained, nothing has come to our attention that causes us to believe that the ESG Data in the Sustainability Report for the period 1 January – 31 December 2021 have not been prepared, in all material respects, in accordance with the Accounting policies stated on pages 41–46 ("the Accounting Policies").

The comparative information for 2017 – 2020 are not covered by our conclusion.

This conclusion is to be read in the context of what we state in the remainder of our report.

## **What we are assuring**

The scope of our work was limited to assurance over the ESG Data stated on pages 42–46 in the DSV A/S Sustainability Report 2021.

## **Professional standards applied and level of assurance**

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' and, in respect of the greenhouse gas emissions, in accordance with International Standard on Assurance Engagements 3410 'Assurance engagements on greenhouse gas statements', both issued by the International Auditing and Assurance Standards Board. Greenhouse Gas emission quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks; consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

## **Our independence and quality control**

We have complied with the independence requirements and other ethical

requirements in the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and ethical requirements applicable in Denmark.

PricewaterhouseCoopers applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our work was carried out by an independent multidisciplinary team with experience in sustainability reporting and assurance.

## **Understanding reporting and measurement methodologies**

The ESG Data needs to be read and understood together with the Accounting Policies on pages 41–46, which Management is solely responsible for selecting and applying. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

**Work performed**

We are required to plan and perform our work in order to consider the risk of material misstatement of the ESG Data. In doing so and based on our professional judgement, we:

- Conducted interviews with data owners to understand the key processes and controls for measuring, recording, and reporting the ESG Data;
- Performed limited substantive testing on a selective basis of the ESG Data at corporate head office and in relation to selected DSV's reporting sites to check whether data has been appropriately measured, recorded and reported;
- Performed analysis of data from reporting sites, selected based on risk and materiality to DSV;
- Made inquiries to significant development in reported data; and
- Evaluated the evidence obtained.

**Management's responsibilities**

Management of DSV A/S is responsible for:

- Designing, implementing, and maintaining internal controls over information relevant to the preparation of the ESG Data and information in the Sustainability Report that are free from material misstatement, whether due to fraud or error;
- Establishing objective Accounting Policies for preparing ESG Data;
- Preparation of the GHG statement in accordance with the defined Accounting Policies;
- Measuring and reporting the ESG Data based on the Accounting Policies; and
- The content of the ESG Data.

**Our responsibility**

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the ESG Data for the period 1 January - 31 December 2021 are free from material misstatements, whether due to fraud or error, and are prepared, in all material respects, in accordance with the Accounting Policies;
- Forming an independent conclusion, based on the procedures we performed and the evidence we obtained; and
- Reporting our conclusion to the stakeholders of DSV A/S.

Copenhagen, 9 February 2022

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab  
CVR No 33 77 12 31

Lars Baungaard  
State Authorised  
Public Accountant  
mne23331

Kim Tromholt  
State Authorised  
Public Accountant  
mne33251

# Our reporting approach

## Reporting scope

This Sustainability Report provides information and data on the corporate sustainability activities of DSV A/S and its subsidiaries over which DSV has control. Subsidiaries acquired during the year are recognised in the Sustainability Report from the date DSV gains control of the company, while subsidiaries disposed of during the year are recognised until DSV no longer has control of the company.

The report covers the 12-month period ended 31 December 2021 and forms part of management's commentary in the Annual Report in respect of the statutory reporting on corporate social responsibility, as required by section 99a of the Danish Financial Statements Act.

## Policies applied

The policies applied in the Sustainability Report 2021 are unchanged from last year. In 2021 we have extended our Factbook with the below disclosures. The policies applied are described in connection with the new data presented:

- Fuel consumption (own fleet)
- Employee turnover ratio (adjusted for synergies)
- Code of Conduct training
- Compliance reviews
- Collective bargaining agreements

Acquired companies from Agility's Global Integration Logistics business (GIL) are recognised from the date of gaining control as of 16 August 2021, unless otherwise stated in the individual accounting policy.

## ESG data selection

We consistently work towards developing our ESG data to support our business and provide our stakeholders with accurate and transparent reporting of our ESG performance. Our ESG KPIs selection is led by DSV's annual materiality assessment, investor requests, ESG ratings, and sustainability reporting standards and guidelines.

## Approach to using sustainability frameworks

DSV utilises international sustainability frameworks and reporting standards as guidance to help process data for selection. There are a number of frameworks with which we align partially (i.e. we use the framework as a starting point from which to develop accounting policies) or fully (i.e. we fully comply with the framework requirements).

## Task Force on Climate-related Financial Disclosures (TCFD)

We are aware of climate change's transitional and physical impacts on our business, as outlined by the TCFD. By aligning our practices and reporting with the TCFD recommendations, we have clarified our understanding and boosted our disclosure of climate-related risks and opportunities. Our TCFD implementation is integrated into our strategy, risk management, governance practices, and reporting. We have included a one-page overview with references to our TCFD alignment (see page 54 for details).

## Global Reporting Initiative (GRI)

We use the GRI Standards as the basis for some of our ESG data. We do not aim for full GRI-based disclosure (see pages 47-52 for details).

## Sustainability Accounting Standards Board (SASB)

At present, we do not strive to report in full accordance with SASB, but we have carried out a cross-referencing exercise to determine where our current reporting aligns with topics and metrics from the 'Air Freight & Logistics' Standard relevant for DSV (see page 53 for details).

## EU Taxonomy

As a listed Danish company, we report under the EU Taxonomy classification system for identifying sustainable economic activities. At year-end 2021, the economic activities of the DSV Group are not encompassed by the Technical Screening Criteria of the Taxonomy in its current form. Revenue, CapEx investments and OpEx costs of the DSV Group are therefore not Taxonomy eligible, although this may change in the future as the Taxonomy develops.

## Greenhouse Gas (GHG) Protocol

Emissions are reported in Scope 1, 2 and 3 according to the definitions in the Green House Gas Protocol ("GHG Protocol").



# Environmental

## 1.1 Emissions

### Accounting policies

**CO<sub>2</sub>e Scope 1:** Direct emissions from owned or controlled sources, which are natural gas, oil and water consumed in own buildings, company cars and our own small fleet of trucks.

Emissions from company cars are collected through our central company car fleet management system and are based on leasing mileage and emission factors from leasing companies covering countries with 48% of all salaried employees. For countries not covered by our central car fleet management system, the emissions are extrapolated based on the proportion of FTEs out of the FTEs in countries covered by our car fleet management system.

Road emissions from our own fleet are based on reported fuel consumptions from own trucks used for cargo transportation, multiplied by emission factors from DEFRA UK database applicable per fuel type.

Direct emissions from buildings are based on reported consumptions of gas, oil and water multiplied by emission factors from DEFRA UK database applicable per fuel type.

**CO<sub>2</sub>e Scope 2:** In accordance with our baseline for science-based targets, we are using a market-based approach for calculating our Scope 2 indirect emissions. Our Scope 2 emissions consist of purchased electricity, heating, and cooling in our buildings.

**CO<sub>2</sub>e Scope 3:** As of 2020, calculations of emissions from freight forwarding services (transportation by air, sea, road and rail) are performed by splitting routes into relevant legs and applying granular parameters on shipment level.

Emissions are calculated in accordance with the GHG Protocol and the European Standard EN16258. Included are indirect emissions resulting from our value chain, including all our subcontracted transport (air, sea and rail carriers, and road hauliers) as well as business travel.

Carbon dioxide equivalent emissions from transport activities are recorded based on calculations performed by EcoTransIT World and prepared in accordance with EcoTransIT World methodology and European Standard EN 16258 and the GHG Protocol.

The calculations include CO<sub>2</sub>e emissions from air, sea and rail carriers and road hauliers.

Emissions are calculated based on DSV transport data from subcontracted transport from our main transport systems covering 86% of the total Scope 3 emissions. The remaining CO<sub>2</sub>e are estimated based on extrapolation from average emission factors and volume reporting.

Emissions from business travels are based on collected data from travel agencies covering countries with 70% of all salaried employees. For countries not covered by travel agencies, the emissions are extrapolated based on the proportion of FTEs out of the total number of FTEs in countries covered by travel agencies.

Environmental data*	2021	2020	2019	2018	2017
<b>CO<sub>2</sub>e Scope 1 ('000 tonnes)</b>					
Company cars**	10	13	14	–	–
Road emissions (own fleet)	101	43	37	39	39
Building emissions	24	24	23	22	19
<b>Total CO<sub>2</sub>e Scope 1</b>	<b>135</b>	<b>80</b>	<b>74</b>	<b>61</b>	<b>58</b>
<b>CO<sub>2</sub>e Scope 2 ('000 tonnes)</b>					
Building emissions	119	98	85	78	78
<b>Total CO<sub>2</sub>e Scope 2</b>	<b>119</b>	<b>98</b>	<b>85</b>	<b>78</b>	<b>78</b>

Environmental data*	2021	2020	2019	2018	2017
<b>CO<sub>2</sub>e Scope 3 ('000 tonnes)</b>					
Business travel**	1	1	8	–	–
Air transport	7,458	6,825	4,631	3,291	3,208
Sea transport***	1,130	1,047	1,242	820	855
Road transport***	3,823	3,275	2,847	3,015	2,987
Rail transport**	112	139	–	–	–
<b>Total CO<sub>2</sub>e Scope 3</b>	<b>12,524</b>	<b>11,287</b>	<b>8,728</b>	<b>7,126</b>	<b>7,050</b>

\* The comparative information for 2017 – 2020 are not covered by PwC's limited assurance conclusion on pages 39–40.

\*\* Full five-year historical data not available.

\*\*\* Comparative figures have been restated, as our method for calculation and data transparency has improved. Consequently our emissions have lowered.

## 1.2 Energy and water consumption, and waste recycling

### Accounting policies

#### Energy efficiency

Average emissions from shipments relative to freight volume and transportation distance is disclosed as grams of CO<sub>2</sub>e for 1 tonne of freight moved 1 km. (excluding project shipments).

#### Energy consumption

Total consumption of relevant fuel types, electricity, district heating and cooling from Scope 1 and 2.

#### Fuel consumption (own truck fleet)

Total consumption of fuel by DSV-owned truck fleet.

Hydrotreated Vegetable Oil (HVO) fuel consumed by DSV-owned truck fleet relative to the total consumption of fuel by DSV-owned truck fleet.

#### Renewable energy share

Total renewable energy share relative to the total energy consumption Scope 1 and 2.

#### Euro engine standards

Proportion of Euro engine standards, registered in our fleet management system for trucks operating for DSV Road Europe.

#### Water

Total consumption of water at DSV buildings.

#### Recycling of paper, cardboard, and plastic

Total square metres at DSV locations having initiated recycling schemes for paper, cardboard, and plastic, relative to the total number of square metres at locations of DSV.

Environmental data*	2021	2020	2019	2018	2017
<b>Energy efficiency (gram CO<sub>2</sub>e per tonne transported one km)</b>					
CO <sub>2</sub> e (g/tonne-km) – Air transport	694.4	704.0	718.2	728.0	751.0
CO <sub>2</sub> e (g/tonne-km) – Sea transport	6.1	6.2	6.4	7.0	7.3
CO <sub>2</sub> e (g/tonne-km) – Road transport***	92.4	92.8	93.2	96.5	97.4
CO <sub>2</sub> e (g/tonne-km) – Rail transport**	32.6	32.7	–	–	–
<b>Fuel consumption (own truck fleet)</b>					
Total consumption of fuel ('000 gigajoule)**	1,488	–	–	–	–
Proportion of HVO fuel consumed (%)**	4	–	–	–	–
<b>Energy consumption Scope 1 &amp; 2 ('000 gigajoule)</b>					
Total energy consumption**	2,800	1,673	–	–	–

\* The comparative information for 2017 – 2020 are not covered by PwC's limited assurance conclusion on pages 39–40.

\*\* Full five-year historical data not available.

\*\*\* Comparative figures have been restated, as our method for calculation and data transparency has improved.

Environmental data*	2021	2020	2019	2018	2017
<b>Water ('000 m<sup>3</sup>)</b>					
Total water consumption – buildings	1,188	1,152	1,596	1,485	1,435
<b>Renewable energy share (%)</b>					
Renewable**	12	22	–	–	–
Non-renewable**	88	78	–	–	–
<b>Euro engine standards (%)</b>					
Proportion of trucks of DSV Road satisfying Euro 2 standard or older (own and suppliers' trucks)	0.2	0.2	0.2	0.7	0.7
Proportion of trucks of DSV Road satisfying Euro 3 or 4 standards (own and suppliers' trucks)	9.6	10.4	16.5	19.3	20.8
Proportion of trucks of DSV Road satisfying Euro 5 or 6 standards (own and suppliers' trucks)	90.2	89.4	83.3	80.0	78.5
<b>Recycling of paper, cardboard and plastic (%)</b>					
Proportion of locations recycling paper, cardboard, and/or plastic from offices, terminals and warehouses	71	74	74	79	74

# Social

## 2.1 Employees

### Accounting policies

#### Employees (full-time workforce)

Number of full-time employees at year-end.

#### Salaried employees

Consists of employees working primarily in an office with freight forwarding, sales, business development or in general administration.

#### Hourly workers

Consists of employees working primarily at a warehouse, terminal, logistics centre or as a driver.

#### Gender diversity

Number of female and male employees relative to the total number of employees at year-end.

#### Gender diversity, management

Number of female and male managers relative to the total number of managers at year-end. Managers are defined as employees with staff responsibility.

#### Age distribution of employees

Number of employees by age group relative to the total number of employees at year-end.

#### Employee seniority

Number of employees by seniority level relative to the total number of employees at year-end.

#### Collective bargaining agreements

Number of employees covered by a collective bargaining agreement, relative to the total number of employees.

Social data*	2021	2020	2019	2018	2017
<b>Employees (full-time workforce)</b>					
Total	77,958	56,621	61,216	47,394	45,636
Salaried employees	40,605	29,544	32,820	23,088	22,730
Hourly workers	37,353	27,077	28,396	24,306	22,906

Social data*	2021	2020	2019	2018	2017
<b>Gender diversity (%) (female/male)</b>					
Gender diversity total	38/62	38/62	39/61	38/62	39/61
Gender diversity salaried employees**	49/51	51/49	51/49	–	–
Gender diversity hourly workers**	22/78	23/77	25/75	–	–
<b>Gender diversity, management (%) (female/male)</b>					
Gender diversity management	34/66	34/66	33/67	28/72	31/69
<b>Age distribution of employees (%)</b>					
Employees <25	9.8	8.4	9.5	8.0	8.3
Employees 25-34	29.4	29.1	29.3	30.0	30.7
Employees 35-44	30.2	30.7	30.6	29.8	29.6
Employees 45-54	20.0	20.4	19.5	20.5	20.5
Employees >54	10.6	11.4	11.1	11.7	10.9
<b>Employee seniority (%)</b>					
Seniority <1 year	24.0	17.0	17.7	19.4	19.1
Seniority 1-2 years	17.9	22.8	22.7	21.9	21.1
Seniority 3-5 years	20.2	19.9	19.8	17.2	16.2
Seniority 6-10 years	15.7	15.3	15.5	15.2	17.3
Seniority 11-25 years	18.3	20.3	20.0	21.4	20.5
Seniority >25 years	3.9	4.7	4.3	4.9	5.8
<b>Collective bargaining agreements (%)</b>					
Total**	28	–	–	–	–
Salaried employees**	17	–	–	–	–
Hourly workers**	40	–	–	–	–

\* The comparative information for 2017 - 2020 are not covered by PwC's limited assurance conclusion on pages 39-40.

\*\* Full five-year historical data not available.



## 2.2 Employee turnover

### Accounting policies

#### Employee turnover ratio

Total number of employees leaving DSV during the year, relative to the average number of employees for the year.

#### Employee turnover ratio (adjusted for synergies)

Total number of employees leaving DSV during the year, adjusted for acquisition synergy terminations, relative to the average number of employees for the year.

Social data*	2021	2020	2019	2018	2017
<b>Employee turnover ratio (%)</b>					
Total	24.4	32.5	23.6	20.1	18.0
Salaried employees	24.2	31.5	21.9	19.6	18.4
Hourly workers	24.6	33.6	25.3	20.6	17.5
<b>Employee turnover ratio (%) (adjusted for synergies)</b>					
Total	21.9	20.5	21.1	20.1	16.4
Salaried employees	19.7	11.7	17.5	19.6	15.7
Hourly workers	24.2	31.0	24.8	20.6	17.2

## 2.3 Health and Safety

### Accounting policies

#### Sickness absence

Average number of days of absence due to sickness per FTE.

#### Lost workdays due to lost time injury

Number of reported days of absence from lost time injuries per million working hours scheduled for the year.

#### Lost Time Injury Frequency Rate

Number of recorded lost time injuries resulting in more than one day of absence per million working hours scheduled for the year (LTIFR).

#### Fatalities

Number of fatalities of DSV employees

Social data*	2021	2020	2019	2018	2017
<b>Sickness absence (days per FTE)</b>					
Total	5.7	6.4	6.0	5.9	4.7
Salaried employees	5.4	5.8	6.0	6.6	4.7
Hourly workers	6.0	7.1	5.9	5.2	4.7
<b>Lost Time Injury Frequency Rate (LTIFR) (per million working hours)</b>					
Total	4.5	6.7	5.0	4.6	4.2
Salaried employees	1.0	0.8	0.9	0.5	0.8
Hourly workers	7.9	13.3	9.1	8.3	7.6
<b>Lost workdays due to lost time injury (per million working hours)</b>					
Total	61.0	78.8	97.5	98.0	81.2
Salaried employees	15.3	16.0	22.0	23.2	20.8
Hourly workers	105.4	148.6	173.8	164.5	142.5
<b>Fatalities</b>					
Fatalities in absolute numbers	1	0	1	0	0

\* The comparative information for 2017 - 2020 are not covered by PwC's limited assurance conclusion on pages 39-40.

# Governance

## 3.1 Compliance reviews

### Accounting policies

#### Compliance reviews

Compliance reviews in DSV companies measured as the proportion of revenue covered through the reviews out of total consolidated revenue in the DSV Group.

## 3.2 ISO Management System Certification

### Accounting policies

#### Management system certifications

Number of DSV locations certified according to ISO9001, ISO 14001 and ISO 45001, relative to total number of DSV locations.

## 3.3 DSV's Supplier Code of Conduct

### Accounting policies

#### Distribution of DSV's Supplier Code of Conduct

Number of companies that have distributed the DSV's Supplier Code of Conduct to all suppliers with a yearly spend above EUR 25,000 relative to the total number of companies.

## 3.4 Code of Conduct training

### Accounting policies

#### Employee training on Code of Conduct

Total number of assigned employees\*\*\* that have completed the Code of Conduct course by year-end, relative to the total number of assigned employees\*\*\*.

Average time spent on the Code of Conduct E-learning per assigned employee\*\*\*.

## 3.5 Whistleblower reporting

### Accounting policies

#### Whistleblower reports

Total number of reports received in the whistleblower system.

Governance and other data*	2021	2020	2019	2018	2017
<b>Compliance reviews (%)</b>					
Companies reviewed	25	25	56	50	55
<b>Management System Certifications (%)</b>					
ISO 9001 (Quality)	32	38	61	40	39
ISO 45001 (Health & Safety)	18	22	40	19	12
ISO 14001 (Environment)	24	30	52	33	24
<b>Distribution of DSV's Supplier Code of Conduct (%)</b>					
Distribution of DSV's Supplier Code of Conduct with spend over 25,000 EUR	88	100	100	95	93

Governance and other data*	2021	2020	2019	2018	2017
<b>Employee training on Code of Conduct, including human rights and anti-corruption policies and procedures</b>					
Code of Conduct online training, completion rate (%)**	100	100	100	–	–
Average training hours spent on Code of Conduct**	2	2	2	–	–
<b>Whistleblower reports</b>					
Total	47	41	60	23	23

\* The comparative information for 2017 – 2020 are not covered by PwC's limited assurance conclusion on pages 39–40.

\*\* Full five-year historical data not available.

\*\*\* Assigned employees refers to all salaried employees who have been assigned the Code of Conduct course between 01-09-2020 and 31-08-2021. The scope of employees assigned during these dates are salaried employees who have not completed the training within the past 24 months or who joined DSV during the period 01-09-2020 to 31-08-2021.

# GRI Content Index

The Global Reporting Initiative (GRI) is a non-profit organisation that has produced a set of disclosures and Standards for sustainability reporting. The main goal of the GRI is to create a framework for systematic, transparent and comparable sustainability reporting for corporations.

All disclosures in this report are based on the 2016 edition of the GRI Standards unless otherwise noted.

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. This report has been prepared in accordance with the GRI Standards: Core option.

Every profile or performance disclosure applied is linked to a specific section in the Annual Report 2021 (AR) or the Sustainability Report 2021 (SR).



GRI has given formal confirmation that our report has undergone and successfully completed the Materiality Disclosures Service in 2022.

GRI Standard	Description	Reference	Omission/comments
<b>GRI 101: Foundation (2016)</b>			
<b>GRI 102: General Disclosures (2016)</b>			
<b>Organizational Profile</b>			
102-1	Name of the organisation	SR: page 6	
102-2	Activities, brands, products, and services	SR: page 6	
102-3	Location of the headquarters	SR: page 6	
102-4	Location of operations	SR: pages 5-6	
102-5	Ownership and legal form	AR: pages 42-43	
102-6	Markets served	SR: pages 5-7; AR: pages 25-31	
102-7	Scale of the organisation	SR: page 5; AR: pages 6-9	
102-8	Information on employees and other workers	SR: pages 44-45	
102-9	Supply chain	SR: page 6; AR: page 14	
102-10	Significant changes to the organisation and its supply chain		In 2021, DSV finalised the acquisition of GIL. Data presented in the AR (pages 8-9) reflects the integration of GIL into DSV.
102-11	Precautionary Principle or approach		While we routinely consider a broad set of potential impacts in our decision making, we do not explicitly use the "precautionary principle".
102-12	External initiatives	SR: pages 35-36	
102-13	Membership of Associations	SR: page 10	



GRI Standard	Description	Reference	Omission/comments
<b>Strategy</b>			
102-14	Statement from senior decision-maker	SR: pages 3-4	
102-15	Key Impacts, Risks and Opportunities	SR: page 12; AR: pages 32-37	
<b>Ethics and integrity</b>			
102-16	Values, principles, standards, and norms of behavior	SR: pages 15-16, 20, 29-30	
102-17	Advice Mechanisms and Unethical Behavior	SR: page 30	
<b>Governance</b>			
102-18	Governance structure	SR: page 9	
102-20	Executive-level responsibility for economic, environmental, and social topics	SR: page 9	
102-21	Consulting stakeholders on economic, environmental, and social topics	SR: page 10	
102-22	Composition of the highest governance body and its committees	AR: page 41	
102-23	Chair of the highest governance body	AR: page 42	
102-24	Nominating and selecting the highest governance body	SR: pages 16-17	
102-26	Role of highest governance body in setting purpose, values, and strategy	SR: page 9	
102-29	Identifying and managing economic, environmental, and social impacts	SR: page 10; AR: pages 32-37	
102-30	Effectiveness of risk management processes	SR: page 10; AR: pages 32-37	
102-31	Review of economic, environmental, and social topics	SR: pages 9-10	
102-32	Highest governance body's role in sustainability reporting	SR: page 9	
102-35	Remuneration policies	AR: page 40	
<b>Stakeholder engagement</b>			
102-40	List of stakeholder groups	SR: page 10	
102-41	Collective bargaining agreements	SR: pages 19, 41, 44	
102-42	Identifying and selecting stakeholders	SR: page 10	
102-43	Approach to stakeholder engagement	SR: page 10	
102-44	Key topics and concerns raised	SR: page 10, 32	
<b>Reporting practice</b>			
102-45	Entities included in the consolidated financial statements	AR: pages 86-93	
102-46	Defining report content and topic boundaries	SR: pages 10-11, 41	
102-47	List of material topics	SR: page 11	
102-48	Restatements of information	SR: page 42	

GRI Standard	Description	Reference	Omission/comments
102-49	Changes in reporting	SR: page 41	
102-50	Reporting period	SR: page 41; The year 2021	
102-51	Date of most recent report	Corporate Responsibility Report 2020, published February 10th, 2021	
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the report	Group Sustainability, csr@dsv.com	
102-54	Claims of reporting in accordance with the GRI Standards	SR: page 47	
102-55	GRI content index	SR: pages 47-52	
102-56	External assurance	SR: pages 39-40	

### Material disclosures

#### 200 series (Economic topics)

##### GRI 103: Management approach (2016)

103-1	Explanation of the material topic and its Boundary	SR: pages 9-13, 31-32; AR: pages 10-11	Management approach covers material topics Economic Performance, Indirect Economic Impacts, Anti-Corruption and Taxes
103-2	The management approach and its components	SR: Sustainability governance and strategy, pages 9-13, Our integrity: A responsible approach to tax, pages 31-32; AR: Strategy and financial targets: Our corporate purpose and strategy, pages 10-11	
103-3	Evaluation of the management approach	SR: pages 9-13	

##### GRI 201: Economic Performance (2016)

201-1	Direct economic value generated and distributed	AR: pages 5-7, 44, 53-58, 101-102
201-3	Defined benefit plan obligations and other retirement plans - (d.) [d. Percentage of salary contributed by employee or employer.]	AR: pages 64-65

##### GRI 203: Indirect Economic Impacts (2016)

203-2	Significant Indirect Economic Impacts	SR: pages 31-32; AR: pages 75-77
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##### GRI 205: Anti-Corruption (2016)

205-1	Operations assessed for risks related to corruption	SR: page 29	We do not measure assessment in %, but we conduct an annual assessment of all our operations
205-2	Communication and training about anti-corruption policies and procedures	SR: page 46	Anti-corruption is addressed in Code of Conduct training
205-3	Confirmed incidents of corruption and actions taken	SR: page 30	

##### GRI 206: Anti-Competitive Behavior (2016)

206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		None
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GRI Standard	Description	Reference	Omission/comments
<b>GRI 207: Tax (2019)</b>			
207-1	Approach to tax	SR: pages 31-32	
207-2	Tax governance, control, and risk management	SR: pages 31-32	
207-3	Stakeholder engagement and management of concerns related to tax	SR: pages 31-32	
<b>300 series (Environmental topics)</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its Boundary	SR: pages 9-13, 23	Management approach covers material topics Energy, Emissions and Waste.
103-2	The management approach and its components	SR: pages 9-13, 23-27	
103-3	Evaluation of the management approach	SR: pages 9-13, 23	
<b>GRI 302: Energy (2016)</b>			
302-1	Energy consumption within the organization	SR: page 43	
302-3	Energy intensity	SR: page 43	Energy intensity is measured through energy efficiency
<b>GRI 305: Emissions (2016)</b>			
305-1	Direct (Scope 1) GHG emissions	SR: page 42	
305-2	Energy indirect (Scope 2) emissions	SR: page 42	
305-3	Other indirect (Scope 3) GHG emissions	SR: page 42	
305-5	Reduction of GHG emissions	SR: page 24	
<b>GRI 306: Waste (2020)</b>			
306-1	Waste generation and significant waste-related impacts	SR: page 25	n/a
306-2	Management of significant waste-related impacts	SR: pages 23, 25	
306-3	Waste generation	SR: page 25	We piloted collection of waste data in selected sites in Europe
306-4	Waste diverted from disposal	SR: pages 25, 43	
306-5	Waste directed to disposal	SR: page 25	
<b>GRI 307: Environmental Compliance (2016)</b>			
307-1	Non-compliance with environmental laws and regulations		We are continuously monitoring our impact on the environment and any operational environmental violations are reported and managed through our Crisis Management framework. Our Group Compliance framework is set to ensure we are informed about any breach in environmental law and/or regulations that occur in the divisions. In 2021 we have not registered any major accidents or environmental violations.



GRI Standard	Description	Reference	Omission/comments
<b>400 series (Social topics)</b>			
<b>GRI 103: Management approach (2016)</b>			
103-1	Explanation of the material topic and its Boundary	SR: pages 9-13, 15-16, 18, 20, 29-30, 35-36	Management approach covers material topics Employment, Occupational Health and Safety, Training and Education, Diversity and Equal Opportunity, Human Rights Assessment, Local Communities and Supplier Social Assessment
103-2	The management approach and its components	SR: pages 9-13, 15, 18, 20, 29, 30, 35-36	
103-3	Evaluation of the management approach	SR: pages 9-13	
<b>GRI 401: Employment (2016)</b>			
401-1	New employee hires and employee turnover	SR: pages 19, 45	We do not report on new employees hires
<b>GRI 403: Occupational Health and Safety (2018)</b>			
403-1	Occupational health and safety management system	SR: pages 13, 20-21, 46	
403-2	Hazard identification, risk assessment, and incident investigation	SR: pages 20-21	
403-3	Occupational health services	SR: pages 20-21	
403-4	Worker participation, consultation, and communication on occupational health and safety	SR: pages 20-21	
403-5	Worker training on occupational health and safety	SR: pages 20-21	
403-6	Promotion of worker health	SR: pages 20-21	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR: pages 20-21	
403-8	Workers covered by an occupational health and safety management system	SR: pages 20-21, 46	
403-9	Work-related injuries	SR: pages 21, 45	
<b>GRI 404: Training and education (2016)</b>			
404-1	Average hours of training per year per employee	SR: pages 18, 46	Training hours are tracked per courses completed
404-2	Programs for upgrading employee skills and transition assistance programs	SR: page 18	
<b>GRI 405: Diversity and Equal Opportunity (2016)</b>			
405-1	Diversity of governance bodies and employees	SR: pages 16-17, 44	
<b>GRI 412: Human Rights Assessment (2016)</b>			
412-2	Employee training on human rights policies or procedures	SR: page 46	

GRI Standard	Description	Reference	Omission/comments
<b>GRI 413: Local Communities (2016)</b>			
413-1	Operations with local community engagement, impact assessments, and development programs	SR: pages 35-36	We do not report on the percentage of operations with implemented local community engagement, impact assessments and/or development programs, but do disclose our engagements across local communities
<b>GRI 414: Supplier Social Assessment (2016)</b>			
414-2	Negative social impacts in the supply chain and actions taken	SR: page 30	We require our Supplier Code of Conduct to be distributed to all suppliers where we have a spend of more than EUR 25,000. We track supplier performance and conduct supplier audits, but do not disclose additional detail
<b>GRI 418: Customer privacy (2016)</b>			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR: page 33	

# SASB Content Index

Topic	SASB code	Accounting metric	Category; unit	Reference	Comment/omission
<b>Greenhouse gas emissions</b>	TR-AF-430a.2	Total greenhouse gas (GHG) footprint across transport modes	quantitative; metric tonnes CO <sub>2</sub> e per tonne km	<b>Sustainability Report:</b> Factbook: Our reporting approach: Environmental: 1.1 Emissions, page 42; and 1.2 Energy, page 43	We disclose both our absolute CO <sub>2</sub> e numbers in '000 tonnes and energy efficiency of our subcontracted transport in grams CO <sub>2</sub> e per tonne km.
	TR-AF-110a.1	Gross global Scope 1 GHG emissions	quantitative; metric tonnes CO <sub>2</sub> e	<b>Sustainability Report:</b> Factbook: Environmental data 1.1 Emissions, page 42	
	TR-AF-110a.2	Discussion of long-term and short-term strategy or plan in regards to managing; Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets		<b>Sustainability Report:</b> Environment: pages 23–24, 26–27	
	TR-AF-110a.3	Total Scope 1 fuel consumed in gigajoules by transport and fuel type; road transport (GJ), natural gas (%)	quantitative; gigajoules, %	<b>Sustainability Report:</b> Factbook: Environmental 1.2 Energy and water consumption, and waste recycling, page 43	
<b>Air quality</b>	TR-AF-120a.1	Air emissions of the following pollutants: (1) Nox (excluding N2O), (2) SOx, and (3) particulate matter (PM10)	quantitative; metric tonnes	<b>Sustainability Report:</b> Factbook: Environmental data 1.1 Emissions, page 42	These air emissions are included in our Scope 1 CO <sub>2</sub> e emissions reporting, but we do not provide a separate breakdown of these pollutants.
<b>Labour practices</b>	TR-AF-310a.1	Percentage of DSV employees (FTE) that are drivers and hired as independent contractors	quantitative; %	<b>Sustainability Report:</b> Factbook: Our reporting approach: Social, page 44	We disclose our workforce by headcount, FTE, gender and type of employment.
	TR-AF-310a.2	Total monetary losses as a result of legal proceedings associated with labor law violations	quantitative (DKK)		Currently we are not tracking the legal proceedings associated with the labor law violations as part of the litigation process.
<b>Employee health and safety</b>	TR-AF-320a.1	Total recordable incident rate (TRIR) for work-related injuries and illnesses, fatality rate for the following employee categories; direct employees, contract employees	quantitative (rate)	<b>Sustainability Report:</b> Factbook: Social 2.3 Health and Safety, page 45; and People: Health and Safety, page 21	Our key metrics are LTIFR per million working hours and fatalities in absolute numbers.
<b>Supply chain management</b>	TR-AF-430a.1	Percentage of carriers with BASIC percentiles above the FMCSA intervention threshold	quantitative; %		Not applicable to DSV.
<b>Accident and safety management</b>	TR-AF-540a.1	Management system: description of implementation & output	qualitative	<b>Sustainability Report:</b> People: Health and Safety, pages 20–21	
	TR-AF-540a.2	Number of aviation accidents	quantitative		Data is unavailable as DSV owns no airplanes. These assets are operated by third-parties.
	TR-AF-540a.3	Number of road accidents and incidents	quantitative		This metric is not tracked.
	TR-AF-540a.4	Safety Measurement System BASIC percentiles for: (1) Unsafe Driving, (2) Hours-of-Service Compliance, (3) Driver Fitness, (4) Controlled Substances/Alcohol, (5) Vehicle Maintenance, and (6) Hazardous Materials Compliance	quantitative		DSV does not report BASIC percentiles. We report our general health and safety training approach and the health and safety officers conduct regular worksite inspections. These inspections are not recorded at Group level.
<b>Activity metrics</b>	TR-AF-000.A	Revenue ton kilometers (RTK) for: (1) road transport and (2) air transport	quantitative		DSV report emission intensity by grams per tonne transported one km.
	TR-AF-000.B	Load factor for: (1) road transport and (2) air transport	quantitative		DSV report emission intensity by grams per tonne transported one km.
	TR-AF-000.C	Number of employees, number of truck drivers	quantitative		Due to our reporting structure we do not record employees according to activity categories.

# TCFD Content Index

The table below provides section and page references to the Sustainability Report 2021 or the Annual Report 2021, where information recommended for disclosure by the Task Force on Climate-

related Financial Disclosures (TCFD) can be found. Further details will be provided in DSV's annual disclosure to CDP in July 2022.

Theme	Recommendation	Reference
<b>Governance</b> Disclose the organisation's governance around climate-related risks and opportunities.	a Describe the Board's oversight of climate-related risks and opportunities.	<b>Annual Report:</b> pages 32-33; and <b>Sustainability Report:</b> Sustainability governance and strategy: Sustainability Governance Model, page 9.
	b Describe management's role in assessing and managing climate-related risks and opportunities.	<b>Sustainability Report:</b> Sustainability strategy: Assessing our climate-related risks and opportunities, page 10; and Sustainability strategy: Using scenario analysis for a better understanding, page 11.
<b>Strategy</b> Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.	a Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	<b>Sustainability Report:</b> Sustainability strategy: Outcomes (climate-related risks and climate-related opportunities), page 12.
	b Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	<b>Sustainability Report:</b> Sustainability strategy: Outcomes (climate-related risks and climate-related opportunities), page 12.
	c Describe the resilience of the organisation's strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario.	We considered different climate related scenarios, including a 2°C or lower scenario as part of our inaugural TCFD assessment. In future, we plan to assess the financial impact of the climate-related risks and opportunities and test the resilience of the company's strategy in this context.
<b>Risk management</b> Disclose how the organisation identifies, assesses and manages climate-related risks.	a Describe the organisation's process for identifying and assessing climate-related risks.	<b>Sustainability Report:</b> Sustainability Strategy: Using Scenario Analysis for a better understanding, page 11.
	b Describe the organisation's process for managing climate-related risks.	<b>Annual Report:</b> Corporate governance and shareholder information: Risk management, page 37.
	c Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	<b>Sustainability Report:</b> Sustainability strategy: Using Scenario Analysis for a better understanding, page 11.
<b>Metrics and targets</b> Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a Disclose the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process.	<b>Sustainability Report:</b> Sustainability strategy: Assessing our climate-related risks and opportunities, page 10. Additional metrics of assessment to be incorporated into our next TCFD assessment.
	b Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	<b>Sustainability Report:</b> Environment: Environmental performance, page 24; Factbook: Our reporting approach: Environmental, page 41. We track and disclosed Scope 1, 2 and 3 emissions to support management in making decisions related to emissions reductions and risk mitigation.
	c Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	<b>Sustainability Report:</b> Environment: Environmental performance, page 24. We utilise our science-based targets to address, manage and reduce emissions, helping to mitigate climate-related risks. Additional targets related to climate-related opportunities are to be incorporated into our next TCFD assessment.





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