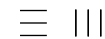


Sustainability Report 2022

Accelerating our ambitions towards a more sustainable future



Global Transport and Logistics



Delivering sustainable growth

DSV is one of the world's leading freight forwarders. We help companies connect with the world and ensure smooth and efficient storage and transport of their goods. By road, sea and air.

We keep supply chains flowing – from shipper to customer doorstep – and help to deliver sustainable growth. By giving our customers the logistics services they need. By running a profitable operation that delivers return on investment for our shareholders. And by giving our employees an inspiring place to work and equal opportunities to develop their talent.

Combining the latest technologies and the talent of our strong global workforce, we are making supply chains leaner and greener. That is how we will help to shape a sustainable future.

Welcome to our Sustainability Report 2022.

This Sustainability Report forms part of Management's Commentary of the DSV Annual Report 2022 and covers statutory reporting on corporate social responsibility, management gender composition and diversity policies as defined by sections 99a, 99b and 107d of the Danish Financial Statements Act.

DSV A/S
Hovedgaden 630, 2640 Hedehusene, Denmark
Tel. +45 43 20 30 40, CVR no. 58 23 35 28



Contents

Introduction

Letter from our CEO	4
DSV at a glance	6
Sustainability highlights 2022	7
Our company	8
A clear strategy for sustainability	10
Our assurance	14

ESG progress

Environment

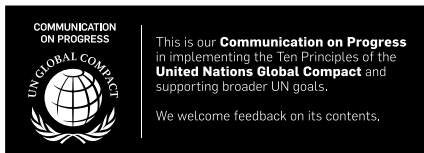
Decarbonising transport and logistics	16
Progress 2022	18
The road to decarbonise air, sea and road	20
Decarbonising customers' supply chains	22
Environmental management	23

Our social responsibility

A business powered by people	26
Employee relations	27
Developing our employees	28
Engaging with our employees	29
Improving diversity and inclusion	30
Our health and safety culture	31
Community engagement	33

Our integrity

Responsible business	36
Running a responsible supply chain	38
A responsible approach to tax	39
Cybersecurity and data privacy	41



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



ESG Performance data 2022

Management statement	43
Independent limited assurance report	44
Our reporting approach	46
ESG data summary	47

Letter from our CEO

Building a solid foundation

We are committed to keeping supply chains flowing – and we have to make sure this goes hand in hand with our long-term ambition to decarbonise logistics.

Over the course of 2022, we took further steps to develop our sustainability agenda. We have worked to consolidate and strengthen it – building a solid foundation to accelerate our ambition of reaching net-zero carbon emissions by 2050.



Through large parts of the year, we have been challenged by the lasting impact of COVID-19 and ongoing disruptions to supply chains. While the pandemic seems to be mostly behind us, the world is now facing an economic slowdown, which is affecting activities across global transport markets.

2022 was also characterised by geopolitical uncertainty as we witnessed Russia's invasion of Ukraine unfold. In response, we divested or closed down our operations in Russia and Belarus. In these very difficult circumstances, I am pleased with how we have responded to the resulting humanitarian crisis. We have donated transport and logistics services, food and supplies. In some instances, we have opened our homes to take in families fleeing the conflict.

But amid these disruptions, we cannot lose focus on our sustainability ambitions and we must continue to drive our Environmental, Social and Governance (ESG) agenda forward.

This year, we have accelerated our ambitions to reduce our environmental footprint. And we continued our efforts to make a positive impact on the societies we are part of and to promote a diverse and inclusive workforce. I am encouraged by these developments and believe that the initiatives we have put in place mark a new chapter in our sustainability journey.

Accelerating our sustainability ambitions

Although the transport and logistics industry is already taking a proactive approach to develop and use more sustainable solutions, green initiatives in our industry are still in their infancy. I recognise the challenges we face but also see it as an opportunity for us to be at the forefront of this transformation.

We are committed to doing what we can to leave the planet in a better state for future generations. I am passionate about the environment and nature, so our efforts to reduce our environmental impact are something I take a great deal of interest in.

After challenging customers to "trade on nature's terms" by launching a range of Green Logistics solutions in 2021, we continue to develop and

promote these services. I think providing customers with leaner and greener solutions to help them reach their long-term CO₂ reduction targets will be our licence to operate in the coming years.

This report presents many of our plans to drive sustainability forward – but let me single out a few here.

Committing to net-zero in 2050

In 2020, DSV was one of the first transport and logistics companies to define and commit to specific emissions reduction targets under the Science Based Targets initiative.

We have now taken these ambitions further and committed to reaching net-zero carbon emissions across our operations by 2050. I am very proud that we have committed to net-zero by 2050. It is a significant undertaking with many moving parts and dependencies. But if we succeed, it will surpass any achievement our company has ever accomplished.

To reach our targets, we need collective effort across the organisation. Therefore, we have also strengthened our sustainability governance model and organisation to ensure that we integrate sustainability into our operations.

Last but not least, there is no doubt that innovation will be crucial to the success of our net-zero ambitions. We have therefore introduced a new internal carbon pricing fee programme, which will be placed on our Air & Sea, Road and Solutions divisions based on their CO₂ emissions. The funds generated will be invested back into innovation programmes and projects to accelerate our emissions-reduction initiatives, and we estimate that we will raise around DKK 1 billion over the next five years.

Always a people business

Today, we have more than 75,000 employees in over 80 countries, representing various backgrounds and experiences. When I visit our operations around the world, I'm always proud to see how many different cultures we represent as a company. For me, a diverse workforce is a significant business advantage – nurturing a unique culture that lets our people make the best of their talents.

It is incredibly important that everyone in DSV feels respected, recognised and equal to their peers. Our Diversity and Inclusion Policy promotes equal access and opportunities for all employees to thrive. And we are all responsible for implementing the spirit of this policy into our daily lives and interactions with colleagues.

We must also ensure DSV is always a safe place to work for everyone. It is essential that we maintain a strong focus on health and safety policies across all offices and facilities. We must make sure our people adhere to established guidelines and that our operations run as they should.

With our extensive e-learning programmes, we work to make sure every DSV employee completes regular training in all these areas. That includes me.

In 2022, we carried out a global engagement survey across our organisation to let all our employees anonymously express their opinion about us as an employer. The survey achieved a high response rate, providing positive feedback and insight on how we can make DSV an even better place to work. The results of the survey are currently being reviewed, and we look forward to addressing these findings over the coming year.

Let me sign off by acknowledging our employees' huge effort and commitment during very challenging times. I am excited about the road ahead – as we continue to raise our ambitions and lead the way to a more sustainable future.

Jens Bjørn Andersen
Group CEO, DSV A/S

DSV at a glance

Global footprint



AMERICAS

Gross profit: DKK 13,274 million

25% of total

EBIT before special items: DKK 7,111 million

28% of total

EMEA

Gross profit: DKK 27,501 million

53% of total

EBIT before special items: DKK 10,952 million

44% of total

APAC

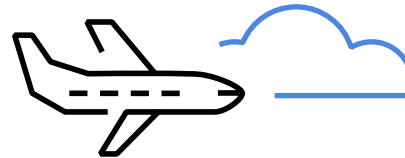
Gross profit: DKK 11,374 million

22% of total

EBIT before special items: DKK 7,141 million

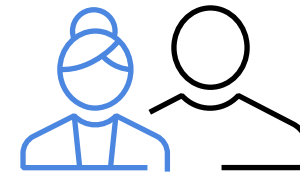
28% of total

DKK 235.7 billion in annual revenue



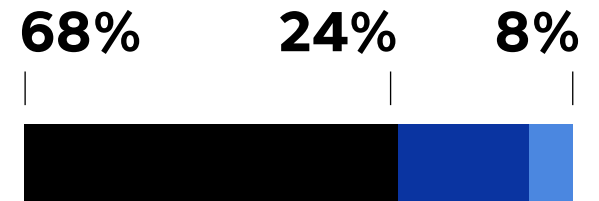
3rd largest freight forwarder in the world

1,600 offices & logistics facilities



More than 75,000 employees in **over 80** countries

Revenue split on main activities*



■ Air & Sea/Shipping ■ Road/Overland ■ Solutions/Warehousing

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

Sustainability highlights 2022

Environment

Committed to
**net-zero
by 2050**

Social

32%
of our managers
are women, and our
journey towards gender
equality continues

Governance

100%
completion of the
Code of Conduct
course

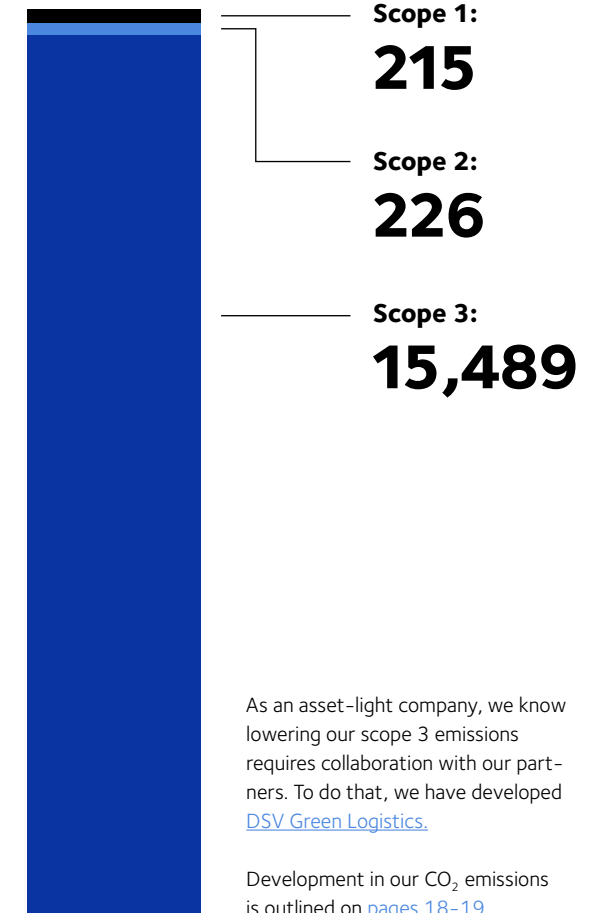
Ratings

14.1 score (low risk) from
Morningstar Sustainalytics

AA score (AAA best)
from MSCI ESG ratings

CO₂ emissions

('000 tonnes)



Our company

Keeping supply chains flowing is our business. In a world of change, doing that efficiently and sustainably is critical. It is how we help customers succeed, grow shareholder value and nurture a positive working culture. And it is how we help create a sustainable future for our global community.

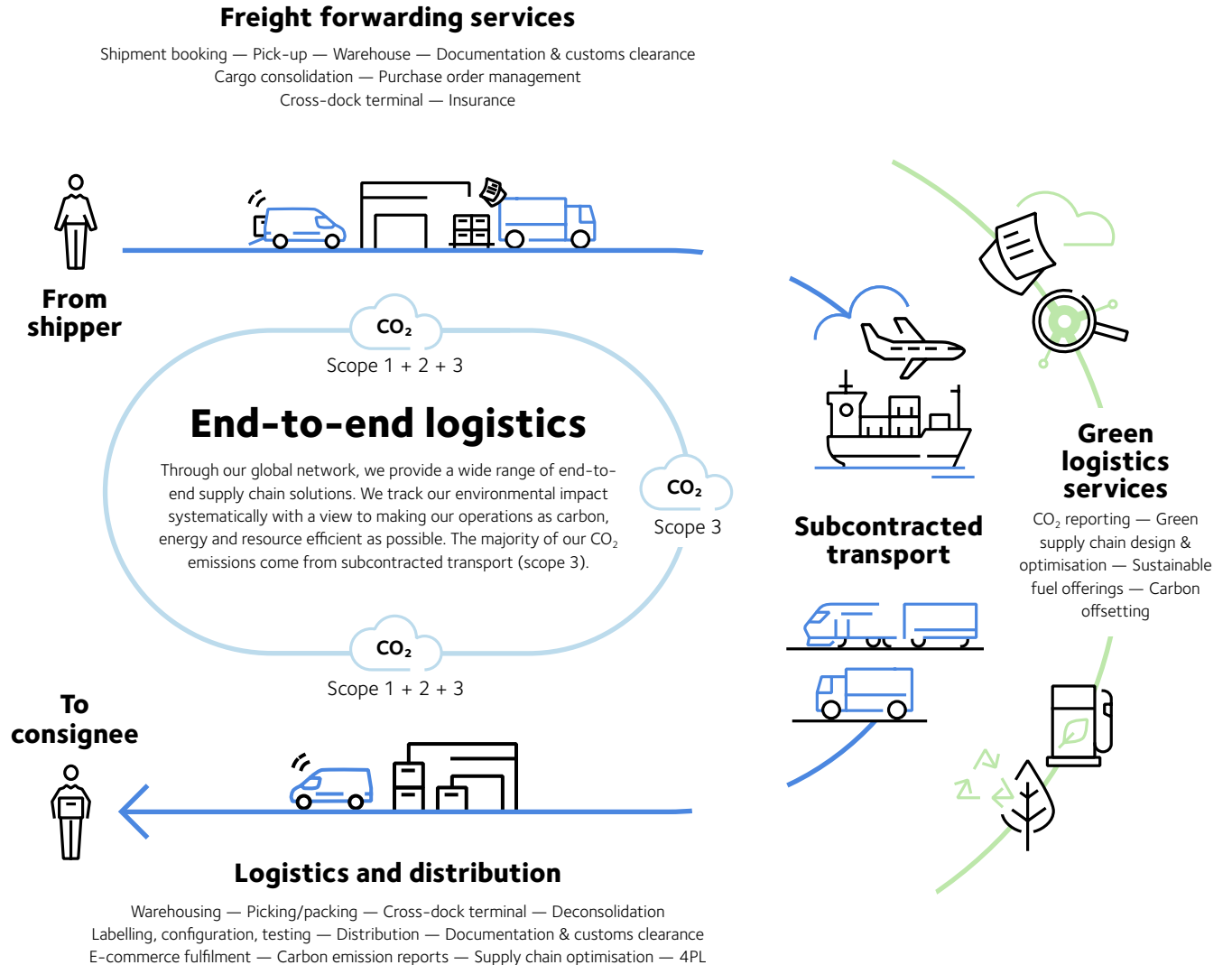
About DSV

We provide and manage supply chain solutions for thousands of companies every day – from the small family-run business to large global corporations. With more than 75,000 employees across more than 80 countries, we deliver logistics services to support a steady supply of goods to production lines, outlets, stores and consumers.

Our activities are divided into three divisions: DSV Air & Sea, DSV Road and DSV Solutions (contract logistics).

Founded in Denmark in 1976, DSV has evolved to become one of the top three freight forwarders in the world. M&A is an important part of our growth strategy, and over the years we have acquired and integrated several freight forwarding companies.

DSV is headquartered in Denmark and is listed on Nasdaq Copenhagen. The company has no majority shareholder.



Our business model

We operate an asset-light business model, which means we do not own the transport equipment but work with external partners. This allows us to quickly scale activities to match changes in market demand or modes of transport. It also helps us choose the best partners for any service based on reliability, available capacity, sustainability factors, transit time and price.

Although we are a global business, our teams are close to their local markets across our network. Working with container carriers, airlines, road hauliers and railway operators, we move goods wherever they are needed. And as one of the largest buyers globally we – and our customers – benefit from keen pricing and strong, long-standing relationships with carriers.

We offer a strong combination of a highly skilled workforce with extensive industry know-how, advanced IT systems, modern warehouses and terminals, strong carrier relationships and a global network. As well as transport, our customers buy a full range of freight forwarding, logistics and distribution services from us. And we constantly develop new services to keep ahead of what they need.

Our workflows are highly digitalised, and our systems are tightly integrated with customers and suppliers.

Supporting our vision and purpose

Our strategy is anchored in our corporate purpose: Keeping supply chains flowing in a world of change.

This year, our strategic focus areas stayed consistent: to grow DSV while helping customers succeed, and look after our employees' wellbeing. Doing this also benefits the societies we operate in. And ultimately it creates growth and shareholder value.

Throughout our operations, we seek to help our customers grow while remaining mindful of the environmental impact of our services and providing options for reducing emissions through our Green Logistics services.

Our employees are the heart of our business and responsible for the long-term success of our company. Regardless of function or position, we respect our people's rights and work to create a safe, healthy and nurturing workplace where everyone has the chance to grow and develop their talent.

Operational efficiency, every day

We never stop working to make our everyday business operations run as smoothly and effectively as possible. Our consistent focus on transparency, productivity and scalability supports more efficient global trade flows for our customers – and, ultimately, higher productivity for DSV.

We maintain a flat, locally empowered organisation, firmly anchored in domestic markets. We believe in local ownership and decisions based on sound business acumen supported by solid data.

In today's market, our customers face increasingly complex supply chains and need advanced digital solutions to meet these challenges. At the same time, standardising our service catalogues and design systems makes us more efficient and let customers benefit from automation and new technology.

Fit for a more sustainable future

DSV has been on a remarkable journey in recent years, defined by large M&A transactions – including UTi Worldwide, Panalpina Welttransport and Agility Global Integrated Logistics (GIL).

Our ambitions for the coming years are clear and revolve around three things: efficiency, sustainability and growth. Practically, that means strengthening our market position through M&A and organic growth; enhancing our Green Logistics and digital capabilities, and developing more sustainable responses to changing market dynamics.

For more information, see our **Annual Report** at: <https://www.dsv.com/en/annual-reports>



A clear strategy for sustainability

DSV's approach to sustainability has evolved systematically over recent years. We take an active role in the sustainability agenda and we have fully integrated sustainability into our corporate strategy and business operations.

Our sustainability strategy is centred around our sustainability priorities and associated material ESG topics as reflected in the graphics to the right. Having a clear strategy helps ensure that the organisation is aligned and working together to reach our targets. It also helps us prioritise our efforts and deploy the resources needed to achieve the strategy.

To track progress in each area and make sure that we continuously enhance our efforts, we perform an annual evaluation and adjustment of our short-term and long-term targets within environment, social and governance.

Our sustainability priorities



Integrating sustainability in our business

The sustainability agenda continues to grow in scale and complexity. This places increasing requirements on DSV to navigate, comply with and execute on related business opportunities as they materialise.

To address this, we are working consistently on integrating and anchoring sustainability within our management structures, compliance frameworks and business activities.

Governance regarding sustainability in DSV is anchored at our highest management levels with the Board of Directors and the Executive Board.

The Board of Directors outlines and supervises the overall vision, strategy and business objectives of our company, including areas within ESG, in close cooperation with the Executive Board. Supporting the Board of Directors, our Audit Committee supervises the regulatory requirements, corporate reporting, and risk- and control frameworks, ensuring proper compliance within the various areas of our business operations. The Executive Board executes the strategy and objectives.

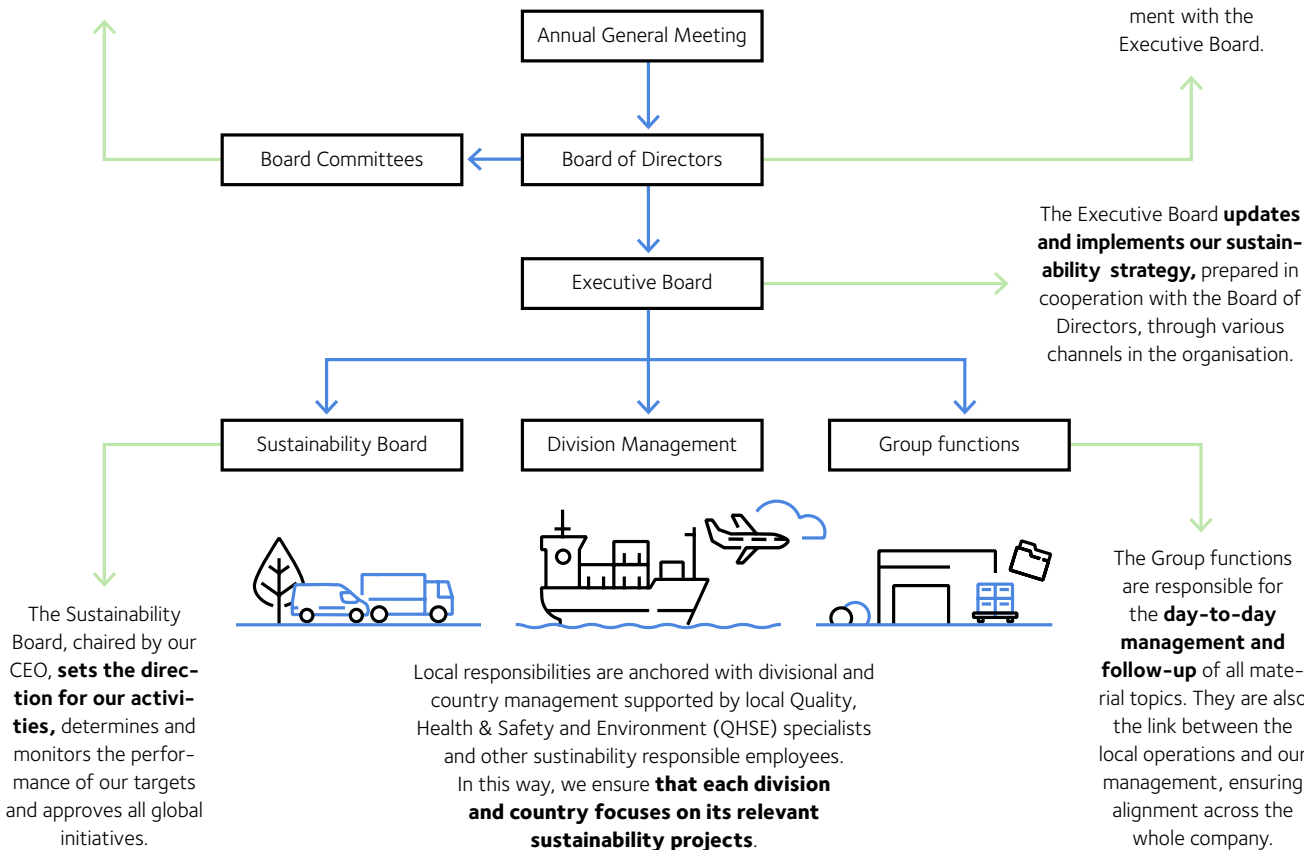
We have established a Sustainability Board consisting of the Executive Board as well as other relevant management representatives and chaired by our Group CEO. This Board facilitates our analysis of materiality, climate risk assessments and global initiatives as well as provides input for implementation of the strategy by the Board of Directors and Executive Board within our key priority areas.

In 2022, the Sustainability Board met on a regular basis and initiated a number of major sustainability related topics.

Most significantly, in 2022 we updated our CO₂ emissions baseline, our near-term targets and committed to reaching net-zero carbon emissions by 2050.

To facilitate these targets, the Board have initiated organisational changes within DSV, to better anchor and accommodate for our ESG strategies in our business operations and within our supporting Group departments.

The Audit Committee within the Board of Directors is responsible for **following up on sustainability reporting setup, frameworks and internal controls.**



Further, they also established various operational ESG initiatives laid out in a roadmap, including a carbon pricing fee programme, strategic partnerships, development of lower-emissions service offerings to our customers and assessment of several investment possibilities.

Framing our strategy

Understanding our footprint on the world and vice versa is key to formulating our ESG priorities.

We do this through structured materiality, climate risk and opportunity assessments tied into our core governance framework and dialogue with our key stakeholders – both internal and external.

In 2022, we refined our analysis of materiality, climate risks and opportunities. We achieved this by adopting a broader materiality perspective to identify material ESG topics and by connecting our Task Force on Climate-related Financial Disclosures (TCFD) analysis more closely to our established Enterprise Risk Management processes. This is described in the Risk Management section of our Annual Report.

In assessing materiality, we apply several tools, including standards such as GRI, SASB Materiality Map, S&P Global CSA and the draft European Sustainability Reporting Standards (ESRS).

We also apply peer group analyses, reviews of the logistics industry and the UN Sustainable Development Goals, and most importantly, we gather input in dialogue with our major stakeholders.

This revised approach has not identified new material topics, climate risks or opportunities but has led to clearer definitions and groupings of our identified topics.

As part of our materiality, risk and opportunity assessment, we continued our work on defining and quantifying climate risks that could affect our business in the medium and long term. This is based on the TCFD recommendations.

In 2022 we have therefore expanded and strengthened our cross-functional assessment working group further with more representatives from our operations, customer and commercial departments.

We have done this to provide a broader basis of insights on how risks might affect our business model, and to ensure our assessments are based on a proper geographical and divisional foundation when evaluating physical risks.

Using various scenarios in assessing the future potential risk and opportunities has led to this year's consolidated climate risk assessment presented in the following table. In contrast, the Climate Risk included in the Key Risk map of the Annual Report is based on a short-term here-and-now assessment following the methodology of the financial risk management assessment, leading to a moderately lower risk score.

Based on our current assessment and selected climate-related risks and opportunities, we do not anticipate that climate change will have a significant negative impact on our business operations if being addressed and mitigated.

Our major stakeholders

✓ Customers

Our account teams conduct regular market reviews, screening for new business opportunities and services that may interest our customers. We combine this insight with customer feedback as the basis for our ongoing customer dialogue to develop our Green Logistics services. These insights also provide input for assessing our materiality impact in the logistics value chain.

✓ Investors and rating agencies

We engage in active dialogue with investors, including discussions on relevant ESG topics. We usually participate in more than 400 investor meetings a year, including hosting the DSV Capital Markets Day, where we present our vision and ideas on sustainable logistics to the investor community. We apply feedback from these dialogues to align investor expectations to the ESG agenda, and as input to identify topics in our materiality assessments.

✓ Employees

Across our organisation, we encourage an open and honest dialogue on all relevant topics, including ESG. We ask our employees to give their perspectives on several issues through our global employee engagement survey. The survey was conducted for the first time in 2022. The results will be central to future efforts to strengthen our human capital development programme and identify material social topics in our company.

✓ Authorities

Conducting our operations according to relevant regulatory requirements is a core principle applied in running our business. In ensuring compliance, we maintain a regular and transparent dialogue with tax and other public authorities. In return, this provides us with vital input on societal and regulatory requirements and expectations relevant to our materiality assessments.

✓ Suppliers

As a freight forwarder with no direct ownership or operational control of the freight-carrying equipment, engaging with our suppliers (freight carriers) is essential for a more responsible supply chain. It also provides valuable input in defining our boundaries and materiality assessments.

Climate-related risks

R1 Carbon pricing and taxation	Carbon pricing, such as EU ETS and other carbon-related taxation, is expected to become a factor with an increasing impact on the logistics industry. Looking at the logistics value chain, freight carriers owning and operating carbon-emitting equipment will be the most directly impacted, and this may lead to higher carrier costs and potentially lower volumes. To the extent DSV is not capable of transferring this cost increase, our profit margins may be negatively impacted.
R2 Reputational perception	DSV operates in a highly competitive market with an increasing number of customers, especially in the EU, integrating sustainability requirements into their tender process. Customers, suppliers, and investors expect companies to commit to climate change action. Failure to meet these expectations, including engaging the business in more ambitious decarbonisation targets, may damage our perception among our stakeholders. This can lead to loss of customer orders, investors or strategic business partners.
R3 Technology adaption	Moving the logistic industry on the business-to-business market towards lower CO ₂ emissions is a formidable task requiring substantial technological innovation and investments in all parts of the logistics value chain – from development and investment in new low-carbon transport equipment, to optimisation of logistic processes and improvements on utilisation of carrier volumes. Failure in properly engaging in this new technology adaption may impact our capabilities of delivering CO ₂ optimised transport solutions to our customers over time, resulting in lost revenue potential.
R4 Availability of low-carbon transport infrastructure	Currently, the availability of low-carbon transport equipment and infrastructure solutions is scarce, likely not and becoming more broadly available in the short to medium term, as the technological developments and infrastructure investments are still in their infancy. This may lead to a scarcity of available low-carbon transport solutions and create an expectation gap between customer demand and what the logistics market is capable of delivering. If this supply and demand deficit continues it may drive up the prices of green transport solutions to a level undermining customer demand and inciting reluctance from freight carriers making the costly investments required.
R5 Extreme climate events	As projected by the IPCC, accelerating global temperatures may increase the frequency and severity of extreme weather events such as hurricanes, floods and heatwaves. Such events have the potential to distort regional and international transport lanes, causing losses due to increased shipping time and a lack of available shipping lanes. Furthermore, such events may also cause damage and downtime on our infrastructure, such as terminals and warehouses.

Climate-related opportunities

O1 New market opportunities and industry leadership	The increasing climate awareness in society and our customer base has created additional interest in alternative low-carbon transport solutions. Being among the first player to go into this market, delivering alternative transport solutions and add-on services that may become in high demand in the coming years, has the potential of making a noticeable contribution to the financial results of our company. Striving for industry leadership in this area may also help establish DSV as a recognisable brand within the emerging low-carbon logistics market.
--	--

Our assurance

In order to consistently meet our standards across all operations, our policies and procedures are assessed and validated against established internal and external criteria. We are evaluated by professional rating agencies and through ISO certification to help ensure that we continue to fulfil the requirements of our stakeholders.

In order for DSV to drive sustainable business practices it is important to ensure that we adhere to established policies and procedures at all times. It is high priority for us and also for our customers, investors and authorities.

To test this, various controlling initiatives are carried out. One being our external ISO certification audits across our Quality, Health & Safety and Environment (QHSE) setup and another one being our internal on-site audits. These audits provide assurance that we meet and continuously validate and enhance the standards laid out in our policies and procedures. External assurances provide a framework for us to benchmark our processes, maintain high standards, enhance our capabilities and raise our aspirations.

Furthermore, we maintain strong focus on ensuring that ratings reflect an accurate picture of our company by providing accurate and timely information and engaging in dialogue with rating agencies.

Improving our rating scores

Reflecting our development, DSV has been assessed by the leading international ESG rating agencies as listed to the right.

This year, several rating agencies have upgraded their ESG ratings of DSV compared to last year. MSCI ESG Research upgraded their ESG rating from A to AA, Morningstar Sustainalytics upgraded their rating from 16.7 to 14.1, and the Carbon Disclosure Project (CDP) upgraded their score from C to B. The higher ratings are a testament to our enhanced ESG efforts.

Rating agency Scoring scale	Performance	
	2022	2021
MSCI CCC-AAA (AAA is the highest score)	AA	A
Sustainalytics 50-0 (the lower the better)	14.1 (low risk)	16.7 (low risk)
CDP Climate Change F-A (A is the highest score)	B	C
EcoVadis 0-100**	74/100 (Gold)	72/100 (Gold)
S&P Global 0-100**	53/100	46/100
ISS QualityScore 10-1 (the lower the better) Scoring updated on monthly basis	1 - Governance 2 - Social 2 - Environment	1 - Governance 2 - Social 3 - Environment
FTSE Russel 0-5**	3.3	3.0
Moody's ESG Solutions 0-100**	*	45/100

* Next scoring update expected in 2023.

** The higher score, the better.

ISO multisite certification

Having a stable ISO multisite certification are part of alignment and consistency in our global processes, ensuring that they are centrally controlled, reviewed and amended. We have in 2022 successfully increased the number of DSV locations that are part of our multisite QHSE certificate. This multisite certificate now covers 45% of our locations compared to 32% in 2021. In 2023 we expect 51% of our locations to be covered.

As an example, our multisite certification includes Environmental Management (ISO 14001). This certification supports our work to improve our environmental performance and eliminate potential gaps. This year, 36% of our sites are covered, compared to 24% in 2021 of which 91 audits were conducted across 85 locations to ensure that we remain compliant to the standard.

As part of our Environmental Management we are continuously monitoring violations of environmental laws by our operations. Our framework is structured to ensure we are informed about any breach of environmental law and/or regulations that occur in the divisions. In 2022, we have not registered any major accidents or environmental violations.

Internal on-site audits

We are also conducting internal on-site audits focusing on sustainability, ethical standards and anti-corruption procedures. During these visits, we control compliance with the standards set out in our Code of Conduct. Every year, a rolling three-year audit visit plan is created for each entity based on the scale, risk and date of last visit. In 2022, we performed audit visits to entities comprising 61% of total revenue. Findings vary from country to country, and all findings are tracked to ensure they are being closed. Results are reported to the Executive Board and a summary report is provided to the Board of Directors.

ESG progress

Environment

Fighting climate change is one of the big challenges we face, as society and as businesses. At DSV, we are committed to supporting our customers and play a role in the green transition in our industry. We take proactive steps to minimise our impact on the planet and seek solutions to reduce emissions across our operations.



Decarbonising transport and logistics

In 2022 we raised our ambitions and are now in the process of defining our path towards becoming net-zero by 2050. The steps to decarbonising our industry are not fully clear, but what is clear is that it requires changes and cooperation with customers, partners and other stakeholders.

Several sustainable fuels and technologies are in the early stages of development, with policy and regulatory regimes varying from country to country. In addition, different sector-specific characteristics make it challenging to outline a way forward. But we know that it requires collaboration, investment in new initiatives and integration into our operations to achieve our ambitions.

We recognise the challenge our industry is facing, but it also represents an opportunity to be among the first players to take part in this transition. Delivering alternative transport solutions can help us achieve our targets and reduce the carbon footprint of our customers and suppliers. And it may also significantly benefit the financial results of our company.

Facing an immature market with a high degree of uncertainty does not allow us to wait. We need to get started and find new ways of running our business enabling us to offer more sustainable services while also keeping an eye on improving the business case for all parts of the supply chain.

Updating our near-term targets and committing to net-zero by 2050

To drive our progress a common goal is needed. Committing to Science Based Targets initiative serves this purpose. In 2022, we finished integrating GIL, and the additional scale impacted our transport data and carbon emissions.

Achievements 2022

- ✓ Set new science-based target baseline after integrating GIL in our 2019 baseline.
- ✓ Committed to being net-zero by 2050.
- ✓ Introduced a carbon pricing fee programme to raise a minimum DKK 1 billion over the next five years.
- ✓ Initiated several pilot tests and projects, preparing for future scalable and more sustainable projects.
- ✓ Adopted a Group-wide waste management policy to set new targets for waste reduction.

Targets 2023

- Continue with current reduction targets.
- Next phase of the Green Logistics programme to be initiated.
- Implement various new sustainable road transport modes.
- Roll out new Waste Management Policy and targets.

Near-term target

- Reduce scope 1 and 2 emissions by 50% and scope 3 by 30% by 2030 (2019 baseline)

Longer-term commitment

- Achieve carbon net-zero emissions by 2050 – aligned with the SBTi standard – across all three emission scopes.

We have therefore recalculated our 2019 emission baseline to be able to compare our progress against historic emission data – including transport services operated by GIL in 2019.

While we did that, we also increased our target ambition for the 1.5°C global warming scenario for scopes 1 and 2 – the highest ambition level. We maintain our ambition for scope 3 based on well below 2°C scenarios.

And at the same time, we have committed to a 2050 net-zero carbon target.

DSV commits to a 50% reduction of our absolute scope 1 and 2 emissions by 2030 from the 2019 baseline year. We also commit to reduce absolute scope 3 emissions 30% by 2030 from the 2019 baseline year. We expect approval by SBTi of the new baseline and targets by second half of 2023.

Carbon pricing fee programme

Our 2030 emission reduction targets and our long-term net-zero target are important milestones for us. We are already working with some of the emission-reduction solutions that are currently available at scale, but new technologies and ways of working are needed if we are to reach the targets – both in 2030 and in 2050. We therefore constantly explore new technologies and continue to strive to provide more efficient transport solutions – in close cooperation with our customers and suppliers.

A fundamental step is to develop a roadmap ensuring that we deliver on our targets.

Although the business case for the green transition is not as clear as we would normally require when launching new projects, we need to get started. To address this factor and efficiently support new initiatives and innovation with funding, we have established a carbon pricing fee programme.

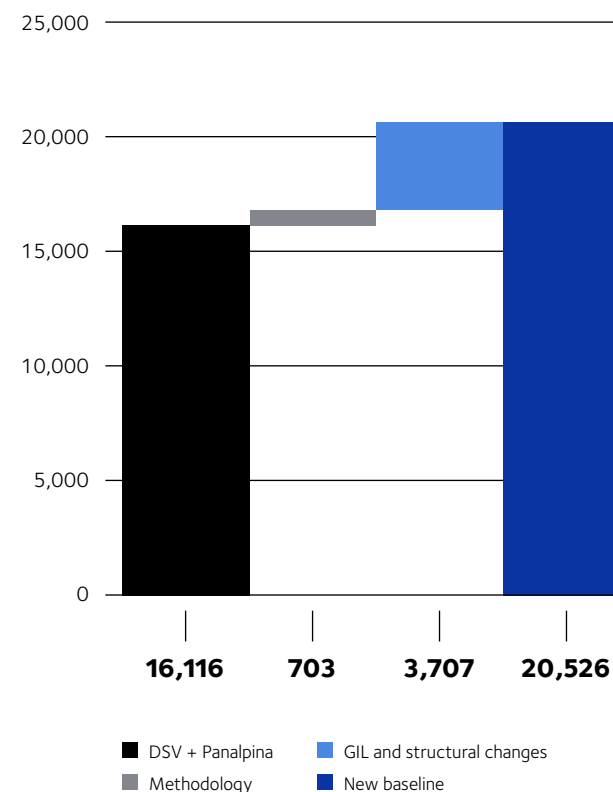
We will place this fee on our Air & Sea, Road and Solutions divisions based on their CO₂ emissions. The funds generated will be invested back into innovation programmes and projects to accelerate our emissions-reduction initiatives. We estimate that we will raise around DKK 1 billion for these projects over the next five years.

In addition to funding green initiatives, the programme also aims to increase awareness of the impact of our practices across our operations and to engage and incentivise the entire DSV organisation to support the transition.

Recalculation of 2019 baseline

Both GHG Protocol and SBTi require companies to update baseline emissions whenever significant changes occur. Our baseline includes DSV operations, subcontracted transport activities and business flights.

The acquisition of GIL and an update to the calculation methodology resulted in a total increase of 27% of the 2019 baseline.



Progress 2022

This year's carbon emissions numbers are significantly impacted by the GIL integration and the macroeconomic developments. Despite these circumstances, we are still progressing on our targets.

When measuring a company's actual reported carbon footprint numbers in a given year it is important to reflect the company's structure, as it shows the ownership of the emissions in the relevant period. We follow this practice in our reporting of ESG data, as illustrated in our ESG Performance section. Based on these figures, we are able to track our progress from 2021 to 2022.

We also need to measure this year's performance against the baseline. DSV's characteristic growth strategy is based on M&A; therefore, the

baseline year mirrors all acquired companies from 2019 onwards and their full-year carbon emissions in 2019. This approach enables us to track our performance, as the scope of emissions is the same regardless of which company has owned the emissions at that time.

Both approaches are vital for us in keeping track of emissions, as they allow us to tailor our long-term decarbonisation activities, using a baseline and adjusting our year-on-year plans reflected in the ESG Performance section.

Progress during the year against 2021

Overall

Our total CO₂ emissions in 2022 increased by 4% compared to 2021. The increase was primarily due to the full-year effect from GIL, but this was offset by declining volumes primarily within air and sea due to the economic slowdown in the second half of 2022, as illustrated in the graph below.

Scope 1 and 2

Our scope 1 and 2 emissions are generated from company cars, our own truck fleet and buildings. Despite scope 1 and 2 being less significant than our Scope 3 emissions, it remains a focus for our decarbonisation efforts.

Our scope 1 and 2 increased by 74% compared to 2021. The significant increase was primarily driven by the inclusion of GIL, which added to our own truck fleet and also increased the number of facilities, mainly in the Middle East, which has a higher energy consumption due to cooling needs. The increase was also affected by growth in our Solutions division and higher post-pandemic utilisation of the buildings. Reducing our building emissions remains at the core of our efforts to cut DSV's carbon emissions.

Scope 3

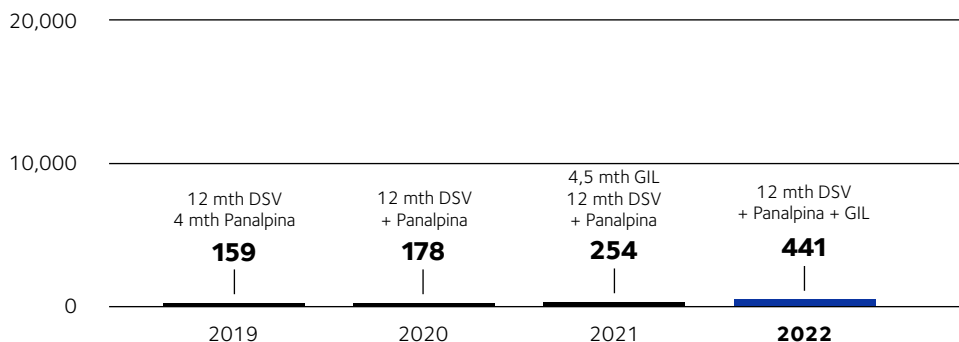
The majority of our scope 3 emissions comes from third-party air, sea, road and rail transport services. For scope 3, our emissions increased by 2% compared to 2021.

Air

Air freight emissions still account for the largest share of our scope 3 emissions, amounting to 58% of our total transport emissions. Our air emissions increased 8% compared to 2021. The increase was mainly driven by increased volumes due to the addition of GIL but also affected by air re-routing patterns due to the political situation in EU. The increase was partly offset by declining volumes especially in second half of 2022.

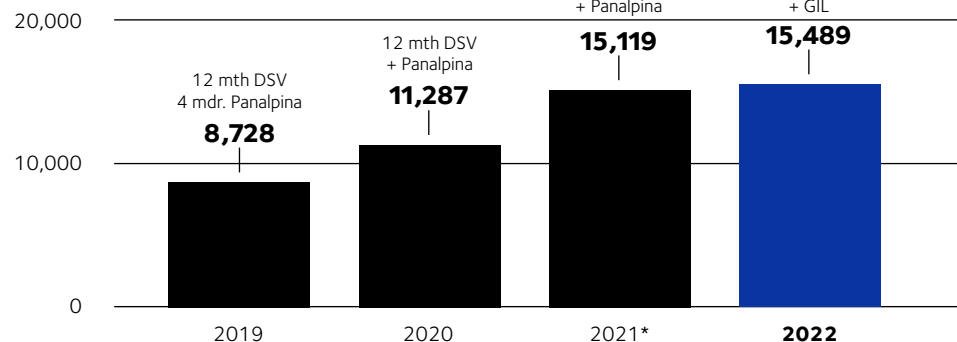
Total CO₂e Scope 1+2 emissions

('000 tonnes)



Total CO₂e Scope 3 emissions

('000 tonnes)



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

Sea

Despite our sea operations carrying the largest freight volumes, sea freight only accounts for 12% of our total Scope 3 emissions due to its low carbon intensity value. The decrease compared to 2021 of 1% is, as with Air, due to full-year effect from GIL but was offset by declining volumes. Furthermore, it has also been affected by changes in the trade lane patterns resulting in shorter total distances.

Road and rail

Road freight emissions constitute 30% of our total Scope 3 emissions, thereby ranking second in terms of carbon footprint. Compared to 2021, our road emissions decreased 5%, which follows the pattern of volumes being negatively affected by volatile markets, but the development was also influenced by changing routing patterns for Air and Sea leading to change in pre- and post-carriage performed by road.

Performance against 2019 baseline

Overall

Compared to the 2019 baseline – now including GIL – our total emissions declined by 22%. The main reason for this was an overall decline in freight volumes in the period.

Carbon intensity has generally also improved over the years as transport equipment becomes more efficient enabling better utilisation of capacity, with sea freight as exception. This also leads to decline in CO₂ emissions.

As volume growth is expected to return in the coming years, we need to achieve lower carbon intensity per transport.

Scope 1 and 2

Our scope 1 and 2 emissions have increased by 8% compared to the 2019 baseline. This increase is mainly a result of two factors; one being an increase in our truck fleet emissions over the years, and secondly it is also affected by an overall growth in DSV building areas, in particular in the Middle East.

Scope 3

Overall, we see a decrease of 23% of the scope 3 emissions compared to the 2019 baseline. The main reason for this was a drop in freight volumes in the period but improved carbon intensity, particularly for Air, also had a positive impact on emissions.

Air

Air emissions declined by 27% compared to the 2019 baseline level, driven partly by a decline in the volume and partly increased freighter aircraft utilisation, which has improved our carbon intensity. We expect this trend to become less pronounced in the coming year with the increase of passenger aircraft belly space post COVID-19 and increasing volumes.

Sea

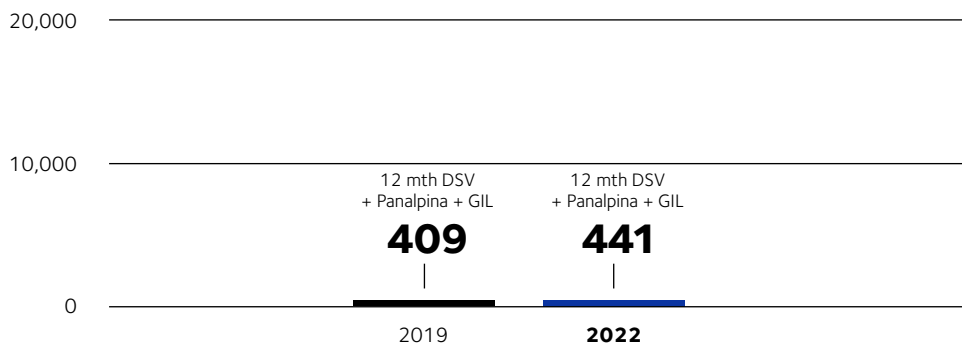
Carbon emissions from sea transport decreased 33% compared to baseline. Sea freight has been affected by lower volumes and trade lane shifts which resulted in shorter distances. Further, carbon intensity saw a negative development in 2021 and 2022, mainly due to less slow-steaming in a period with port congestion and tight capacity – we expect this situation to reverse in the coming years as more capacity is added.

Road and rail

The volume for road and corresponding carbon emissions declined 8%, mainly affected by volume changes in air and sea business due to pre- and post-carriage road services.

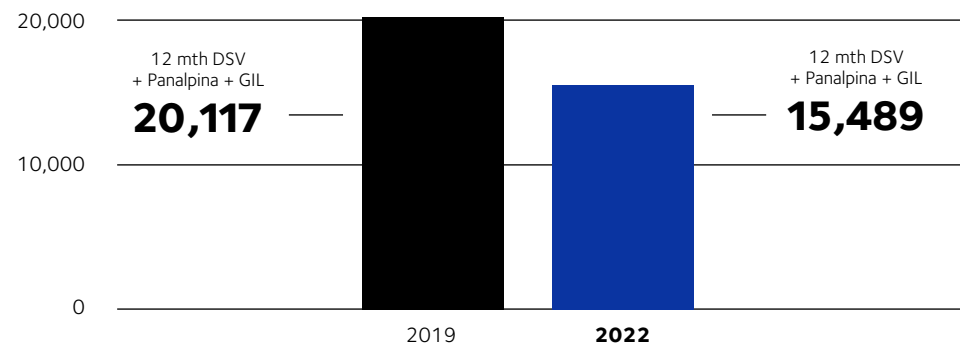
Scope 1+2 baseline comparison

('000 tonnes)



Scope 3 baseline comparison

('000 tonnes)



The road to decarbonise air, sea and road transport

The vast majority of DSV's carbon emissions are generated by third-party air, sea and road transport providers. Therefore, we can only achieve our target if we collaborate with our suppliers – ultimately, we must work with those suppliers who use the most efficient equipment with the lowest emissions per transport.

Partnerships are necessary to drive progress. That is why we have partnered with a number of stakeholders to develop and test alternative fuels for air, sea and road freight. We have several initiatives in the pipeline to help drive progress, these will be used in collaboration with existing and new partnerships.

Exploring alternative fuels and technologies

We are exploring both alternative fuels, new technologies and updates to already existing solutions as part of framing our way forward.

Air

The most important components to decarbonise the airline industry is operations optimisations followed by sustainable aviation fuel, new technologies and infrastructure.

When it comes to fuel efficiency, there is a significant difference between old and new aircraft – a new aircraft can be up to 30% more carbon efficient. We expect this to be one of several factors in our procurement process to ensure that we can offer the most efficient aircraft to our customers, also from an environmental angle.

Looking further ahead, new engine and wing technologies are on the horizon but are long-term prospects and will require huge investments within the industry. Over time, we expect that the emissions from the industry as a whole will gradually decline as new technologies emerge. In the short term however, the possibilities seem more limited.

As such, we are currently mainly focusing on two areas: First of all, we are looking into the use of Sustainable Aviation Fuel (SAF), which is a biofuel used to power aircraft. It's properties are similar to conventional jet fuel but with a reduced carbon footprint. The option to use SAF is already an important part of our Green Logistics offerings for our customers.

However, the market for SAF is still immature and supply is limited, which has led to high and volatile prices. We expect that the production will increase in the coming years, creating a more stable market. To secure SAF allocations, we are establishing partnerships with our core air carriers.

Our second option is to optimise our customers' supply chains where possible and move air cargo to other transport modes. This is not possible for all commodities, but this option must be used where possible.

Sea

Ocean freight is already the most fuel-efficient transport mode – and it is likely to improve further. The International Maritime Organisation (IMO) has set reduction targets for the industry, and we expect that this will drive further progress. Two overall areas to highlight are the development of ships and alternative fuels. The new ships being developed are larger and sailing with a slower propulsion, which enables them to transport larger volumes with less emissions. There are several fuels available today – and more being developed. Marine biodiesel and liquid natural gas are already available, and carriers are looking into other alternatives.

We are already offering decarbonisation options for our sea freight services, and through our procurement setup we aim to work with the carriers with the most carbon-efficient equipment.

Road

Within road freight, the development of new technologies has accelerated in recent years. However, these are still in early stages of development and there are limitations to their possible applications, availability and scalability.

We have conducted a market analysis of electric, hydrogen and renewable gas trucks, including interviews with the key equipment manufacturers. They each have their own strengths and weaknesses and are at different maturity levels. We believe that mixing technologies depending on different distances – short-haul and long-haul – can provide the right balance and best results for cutting CO₂ emissions. The analysis creates an important stepping stone for the work on creating roadmaps for limiting the emissions from our road transports also.

Supporting the work on creating roadmaps, a number of new technologies are also being tested to search for lower-emission alternatives. One example is alternative biofuels. These are used in existing equipment on selected transports and are already part of our portfolio of Green Logistics service offerings. Besides developing new technologies, current operations are also being optimised with the use of more energy-efficient trailers – for example trailers with an electric engine or a more aerodynamic design. Furthermore, new diesel technology developments are also in the making. We have tested the latest diesel engines on the market and identified two models which can reduce consumption and CO₂ emissions by more than 20%.

To test new technologies, we run pilots with our own truck fleet and trailer pool. We aim to share learnings from these pilots with our suppliers, and we will also use the results internally to investigate which trucks best fit our business model and if it is possible to support these trucks with our own energy production as described on [page 23](#).

Pilots initiated in Road 2022

In 2022, we engaged in strategic partnerships with selected original equipment manufacturer (OEM's) with the aim of testing new low-emissions technologies. In the Netherlands, we are testing fully electric DAF trucks for last mile delivery in the Eindhoven area.

In North America, we have been selected for Hyliion's early adopters programme, allowing us to get access to a limited-edition release of the Hypertruck ERX. We have placed an initial order for 10 electrified trucks for our long-haul lanes, combining electricity and renewable natural gas. We believe the Hypertruck ERX will ensure that we can deliver our customers' freight using no fossil fuels and without compromising on delivery times.

By early 2023, we will be participating in the ELISA eHighway project in Hessen, Germany, testing electrified heavy-goods transport on the Autobahn between Frankfurt and Darmstadt with a special catenary hybrid truck (CHT). The trucks are equipped with roof sensors that detect an overhead contact line above the vehicle, supplying the electric motor with power.

We have pre-ordered 500 Trailer Dynamics eTrailers from Krone. These can power the road train and hold the potential to reduce CO₂ emissions by up to 45%. Thanks to the powerful e-axle, which drives the semi-trailer and also recovers breaking energy through recuperation, the eTrailer is able to carry goods for distances above 500 km. If the charging infrastructure on the planned route is not sufficient, an onboard charger will be available to bridge the gap. If initial tests of the eTrailer are successful, we expect to have the first eTrailer on the road by 2025.

All examples of testing of various new possibilities to bring emissions down.

Level playing fields

There are unique opportunities in both air, sea and road for both alternative fuels and new technologies. However, these new technologies must be supported by consistent regulations and sufficient infrastructure. Currently, we are operating with varied legislation across country borders, many of which contradict each other. These challenges slow down progress and the implementation of new technologies. In essence, the technologies are in place in a lot of places, but the lack of consistent and updated regulation to a certain degree hinders development.

Cargo weight is an example of how legislation does not support some initiatives. An increase of cargo weight in transport could optimise the supply chain and cut emissions, but several country-specific legislative boundaries exist today, making supply chains optimisation difficult, also from an environmental point of view.

Furthermore, infrastructure – both national and international – is imperative to successfully implement new initiatives. New technologies require infrastructure support to be successful, and it is not possible to scale up pilot initiatives and make them operational without the proper infrastructure in place.

Partnerships and member-ships



Decarbonising customers' supply chains

We want to help customers decarbonise their supply chains. By providing our customers with our Green Logistics offerings, we are helping them rethink their supply chains and enabling them to conduct their business more sustainably.

Our Green Logistics programme is a set of green solutions that reduce the carbon footprint of our customers' supply chains.

These solutions range from CO₂ reporting, optimisation to green fuel offerings. Since we launched this programme at the end of 2021, our customers' demand for these green offerings has grown continuously. Through Green Logistics, we do address customers' CO₂ emissions and our own emissions from subcontracted freight.

Bringing the products to the market

In 2022, our focus was to continue making our green offerings available to customers of all sizes – globally and across major transportation modes.

We have experienced increasing demand for CO₂ reporting, providing our customers with analysis of their carbon emissions related to cargo transported by DSV, enabling them to make fact-based decisions in respect of their emission reductions.

Our customers are also increasingly requesting support to optimise their transportation setup and logistics footprint.

During 2022 more than 100 optimisation projects were completed, helping our customers to find cost-effective ways to reduce CO₂ in their supply chain.

Sustainable fuel offerings are still a relatively immature market – but as described below, we expect the development to accelerate in the coming years.

Finally, we have seen very limited demand for compensating carbon footprint through offsetting. We see this as a sign that our customers prioritise solutions that directly affect emissions.

Next steps for Green Logistics

Sustainable fuels are at very different stages of evolution, and the amount of fuel available varies in different parts of the world. But despite these challenges, customers are still interested in biofuels and other sustainable fuel offerings.

As an immediate step, we plan on building more partnerships in 2023 to use existing alternative fuels with lower carbon footprints independent of vehicle and cargo routes. This concept is called 'book and claim' or 'insetting' and are already part of our existing solution, and we now intend to further improve our setup.

We have started to buy sustainable fuel solutions in bulk to stock from multiple vendors and offer them as a substitution for fossil fuels to cover our customers' end-to-end processes without any operational changes. This initiative is going through a third-party assurance process that will enable us to issue carbon reduction declarations to our customers.

Sharing more carbon data

During 2023, besides improving our sustainable fuel offerings we will also do additional work to increase the transparency of our carbon data. This will help us and our customers make the greenest possible purchasing choices – based on reliable data – before the transport happens.

Better data transparency allows us to provide alternative options, both for routes and costs. As a result of better data transparency, we and our customers can transport the same volumes over the same distances with lower emissions.

DSV's Green Logistics offers four tailored solutions

1:
CO₂ Reporting
– track and trace your impact

2:
Green Supply Chain Design & Optimisation

3:
Sustainable Fuel Offerings

4:
Carbon Offsetting

Read more about Green Logistics programme here:
<https://www.dsv.com/en/green-logistics>

Environmental management

Reducing our environmental impact is about more than decarbonisation. We must also continuously optimise our use of natural resources and help preserve biodiversity at DSV facilities and areas affected by DSV.

Modern eco-efficient buildings

At every stage of our facilities' lifecycle – from construction to daily maintenance and decommissioning – we are looking at ways to improve our buildings' eco-efficiency.

We are also planning to do that for the facilities which have been integrated from GIL.

All new DSV facilities are now certified in line with leading green building standards such as BREEAM, LEED and DGNB – ensuring optimal environmental, functional and technical qualities.

As well as these stringent standards, we have also introduced energy and environmental management certifications. These include ISO 50001, which relates to use and consumption, and ISO 14001 to cover more of our sites. Currently, 36% of our facilities are covered by ISO 14001. And our current approach to constructing new and upgrading old infrastructure includes a high degree of circularity.

Embedding circularity principles into our buildings

Starting from the planning phase, our construction partners help us design new buildings to maximise available space and use as little land as possible. Wherever possible, we also aim to rehabilitate and recycle land that is lying unused due to contamination or degradation.

During building construction, we reuse recycled materials wherever we can, including concrete excavated from previous construction projects. Furthermore, as standard practice, all new DSV constructions have a minimum lifespan of 50 years and are typically made of energy-friendly and recyclable materials. This lets us simplify future upgrades and retrofitting and enables us to reuse some building materials in future projects.

DSV Energy

The energy crisis has accelerated the need to find new ways of being more efficient with energy use and not wasting electricity. More than ever, every action makes a difference to our planet and our bottom line.

With our new initiative called "DSV Energy" we will increase the use of our large facility rooftop areas for solar panels – and also potentially for wind power.

This way, we aim to move away from being passive energy users to active energy producers. That means producing the energy we need for our buildings and even generating some of the increased energy we will need to transfer to greener and more efficient transport technologies.

Horsens – warehouses as renewable power plants

With our new state-of-the-art logistics centre in Horsens in Denmark, we aim to create a 'gold-standard' resource-efficient, energy self-sufficient facility with the latest technology and sustainable solutions.

The rooftop solar array on the logistics centre will be our largest installation to date. Once fully optimised, it will produce 35MWh of solar energy. This building will be uniquely positioned to produce the energy it needs almost entirely from its own solar plant. We are also reducing our carbon emissions by utilising groundwater to heat and cool the buildings. This Aquifer Thermal Energy Storage (ATES) geothermal technology uses seasonal storage of cold and warm groundwater to cool the facilities and building during summer and heat them during winter.

Our production of green energy, combined with an innovative battery solution, enables us to store solar energy during the day to be used during the night. We plan to use surplus energy to produce sustainable fuel for road freight and supply other DSV locations with energy.

During the construction, we have been working closely with the local authorities to ensure the new logistics centre also benefits the local community and protects surrounding wildlife and nature. To avoid negative impacts on the local ecosystem, we conducted an environmental impact assessment which includes biodiversity, e.g. registration and supervision of surrounding lakes and marshes, as well as reporting on threatened and protected species. As part of this ambition, the office and warehouse facilities will be certified in line with the green certification standard DGNB®, assessing the sustainability of buildings.

Operational reuse and recycling

We are implementing various solutions and programmes to reduce waste and minimise waste pollution across our operations.

Our goal is to reduce as much of our waste as possible from going to landfills by optimising operational processes and ensuring our locations have recycling facilities, bearing in mind that levels of waste segregations vary across the world. To support this, we have increased our previous efforts on standardising and expanding our waste and recycling management programmes.

In 2022, we extended the number of DSV sites where we collect and report data due to the integration, but unfortunately, we were unable to reach our target of sorting waste for recycling across a minimum of 80% of square meters in buildings and were only able to achieve 73%. Isolating one of the most important waste fractions, cardboard, we reached 81% in 2022. Initiatives to reach our target in 2023 have been launched.

One initiative to improve our waste reduction efforts is implementing a global waste management policy. The policy covers recycling, circular economy, promoting innovation of internal initiatives within waste, segregation and optimisation of the use of plastic. All areas which we will identify, assess and monitor throughout our operations. We also expanded our reporting on waste to cover hazardous and non-hazardous landfilled, incinerated and recycled waste. This first year of reporting will serve as a baseline for future work on reducing waste and improving recycling practices.

Increasing circularity in our operations provided another avenue to reduce waste and extend the lifetime of packaging and other materials. We did this by removing unnecessary plastic from our processes.

Based on detailed packaging optimisation analysis, we ran several pilot schemes on more efficient and sustainable wrapping processes at our sites. In 2023, we will integrate this proven concept into packaging processes at several locations across the world.

Biodiversity at DSV sites

Biodiversity and climate change go hand in hand, so it is important to address resource efficiency, biodiversity loss and water management. We have implemented various measures and initiatives to protect and promote biodiversity at our sites.

Land rehabilitation

We consider the biodiversity of the local area on every site we plan. When developing new facilities, we work hard to protect surrounding wildlife and nature as much as possible – including the diversity of grasses and insect and butterfly-attracting plants.

Wherever possible, we try to recycle unused land due to contamination damage or degradation. Investing in brownfield sites is a commitment to land rehabilitation and bringing land areas back to their natural state. By removing pollutants and contaminants, we not only make previously dangerous land usable again, but we also contribute to enhancing the local ecology.

An example being in Helsingborg, Sweden, where we recycled the former GIL property to create a new terminal for our Road division. We are transforming an area of more than 40,000 sqm to an updated logistics centre with the requirements of double storage capacity per sqm footprint of the building, thereby also lowering our carbon footprint.

Green outdoor areas and water

To protect local ecosystems, revitalise green areas and improve the ecological balance, we are planting native flora and trees in line with local guidelines.

We also capture rainwater and use it inside many of our buildings, trying to rationalise our water use and improve water security in the communities where we operate.

Next steps in 2023

In the coming years, we will add more initiatives to counteract biodiversity loss and protect local ecosystems. Over the next 12 months, we plan to conduct a biodiversity impact assessment to gauge the impact of our operations. Once we have the results, we can update our biodiversity policy to be implemented across our global network should improvements to this be needed.

ESG progress

Our social responsibility

At DSV, we invest in our colleagues and have a shared commitment to both the individual and company's success. We understand the value of a diverse workforce and provide employees with a safe and secure working environment. Helping employees achieve their potential is key to strengthening our workforce, and we support our colleagues with various training and development opportunities across the organisation.



A business powered by people

DSV is a workplace that fosters inclusivity and diversity. We respect different cultures and the rights of all the people we work with. As a people business, we work to attract and motivate talented people who share our values. In return, we are promoting a healthy and safe physical and psychological working environment with room for development for everyone.

Being a business powered by people, the most important asset is our employees. DSV's success depends on its employees, whether they are terminal workers, freight forwarders, sales staff or work in administration. The key to attract and retain the right employees is ensuring that we provide opportunities for them to thrive and that their needs continue to be met. Failure to employ and maintain talent will have a long-term impact on DSV's operational, strategic and financial development.

We strive to develop the best possible working environment and to provide attractive benefits for our employees. At DSV, we have a duty of care to maintain the wellbeing of all our employees and ensure that they can work without compromising their safety. As well as providing safety standards, we also support our employee's ambitions by offering a range of training and development opportunities to enhance their skills.

Ongoing engagement with employees at all levels of the business is crucial to ensuring that we build trust and our colleagues feel valued within the organisation. We achieve this by ongoing dialogue and target setting in all departments, conducting global engagement surveys and enabling employees to provide their inputs on a range of topics. We also believe

in nurturing a diverse and inclusive workforce where all employees feel respected and recognised.

Completing the GIL integration with a high retention rate

In Q3 2022, we completed the onboarding process of the last of the former GIL employees. To be able to bring together two large complex organisations with more than 75,000 employees in more than 80 countries was a huge undertaking. The process was completed successfully thanks to good planning and dedicated efforts across our organisations. The result of the completed integration is that we have added highly skilled new colleagues to our teams, and by combining forces, we now have a more comprehensive service offering, greater scale and global reach.

During 2022, the labour markets have been quite competitive, so we were glad that we were capable of retaining many valued GIL employees. Only a small proportion left DSV voluntarily. This was a positive sign that we are succeeding in making DSV an attractive place to work.

Implementing new ways of working

Like other global companies, COVID-19 had a significant impact on how we work. Many DSV employees worked from home for long periods, and a lot of business travel was replaced by virtual meetings with customers and colleagues around the world.

Business travelling has returned to some extent, but not to pre-pandemic levels. This is largely positive in terms of more efficient use of working time and less environmental impact. In many instances, it has also brought a better work-life balance to employees who used to travel a lot.

As the world has reopened, we recognise that many employees want to work flexibly, and that it has become an important factor in attracting and retaining talent. As a result, in 2022, we introduced a new Policy for Flexible Work, giving employees better opportunities to work in more flexible ways.

Achievements 2022

- ✓ Completed the integration and onboarding of all former GIL employees.
- ✓ Conducted our first global engagement survey.
- ✓ Launched global recruitment training for all DSV managers and HR employees to remove biases in the recruitment process.
- ✓ More than 900 DSV leaders from 30+ countries participated in our leadership training programmes.
- ✓ Developed and rolled out our new global Human Rights Programme.
- ✓ Updated our Health and Safety Policy manual to increase its focus on employee safety and wellbeing.

Targets 2023

- Number of occupational accidents must not exceed 4.5 per million working hours (excluding suppliers).
- Number of fatalities must not exceed 0 during the year (excluding suppliers).
- Number of lost workdays must not exceed 90 per million working hours.

Employee relations

As DSV continues to grow, so does our commitment to our employees. We provide a range of benefits and ensure that our relationship with employees is managed with transparent practices.

At DSV, we have put in place a number of initiatives to promote safe working conditions, rewards and recognition and competitive pay and benefits. We also recognise the importance of freedom of association and collective bargaining for our employees. This approach is part of ensuring employee commitment and engagement, contributing to improved business outcomes and employee wellbeing.

Employee benefits

DSV is committed to providing all employees with fair and attractive benefits. We work closely with all local markets to ensure that our standards are maintained and implement a combination of benefits from the DSV Global Employee Benefit Policy and local benefit schemes.

Operating in more than 80 countries, we know that each country and region have their regulations and ways of rewarding employees. Therefore, our compensation and benefit models are largely delegated to the local country management teams. They are closer to the market, are empowered to act quickly upon any changes in rules and regulations and are familiar with local industry standards. The advantage of this approach is illustrated when economic developments impact markets and new local government rules and regulations come into effect, which we experienced in 2022.

On top of financial compensation, we provide many other incentives to full- and part-time employees. Depending on local market practices, they can include everything from retirement plans and pensions to healthcare

and risk insurance plans, employee wellbeing programmes, a variety of leave options, participation in further formal education, part-time employment, flexible work and social events.

We also offer variable performance-based incentives like local bonus plans and long-term global incentives in the form of share options. These are described in more detail in our [Annual Report 2022](#), note 6.2, and in DSV's General Guideline for Incentive Pay for Employees.

Labour rights

As a global organisation, it is important that we set high standards for ourselves on labour rights. Our goal is to comply with all relevant labour laws and the International Labour Organisation Conventions and Recommendations. We are also committed to fighting human trafficking, forced labour and debt servitude.

We continue to maintain excellent relationships with labour unions and workers' councils in every country we operate in. Today, 32% of our employees are covered by collective bargaining agreements and we have not faced any labour conflicts or related work disruptions during 2022.

Human rights

We set high standards for ourselves on human rights and comply with all relevant human rights, including the UN Universal Declaration of Human Rights and UN Guiding Principles on Business and Human Rights.

Due to our global footprint, we do business in regions where there is a relatively higher risk of human rights violations. So this year, we updated our Human Rights Programme to ensure we have the right actions in place. We will be rolling it out fully in 2023.

Our Human Rights Programme follows an annual cycle which kicks off each year with a global human rights risk assessment of all our operations. This identifies which DSV entities will be covered by the entire process cycle – as some parts only apply to higher-risk entities.

The risk assessment considers external factors (like human rights risks within a given country) and internal factors (like numbers of vulnerable employees). Entities identified as having a higher risk then undertake a self-assessment to identify more specific and salient human rights risks.

If we identify certain risks, the entity must commit to an action plan to mitigate those risks. This helps us make sure our human rights approach is fully implemented everywhere in our operations.

We also run training for DSV employees in identified higher-risk entities to make sure they understand their rights and responsibilities – and how to report any concerns they might have.

Developing our employees

Developing our employees is crucial in strengthening our workforce and enabling employees to achieve their career goals. Our extensive global training programmes are available to all employees if relevant, including salaried and hourly workers and contractors. All training offers are accessible via the DSV Academy, which is the umbrella that brings together all of our training material.

Our global programmes include leadership, commercial and operational training, as well as online training (e-learning). After the pandemic, we saw a significant increase in demand for training. All of the global programmes have undergone extensive changes and adjustments in recent years to ensure that they continue to reflect the needs of our employees and business.

Another important focus in adjusting our global programmes was to include even more e-learning and webinar options – making access to training and delivery much more time and cost-effective. To accommodate this, we have integrated an external library of more than 10,000 generic e-learning courses. This library is now open to all salaried employees in DSV.

Leadership

In 2022, more than 900 managers in over 30 countries went through our Global Leadership training. These programmes cover executive, middle and first line manager levels and are designed to support our leadership promise. The content of the programmes covers communication, change management, situational leadership, high-performance team building, driving business and lots more. The overall ambition of the agenda is to make sure that all leaders have the same fundamental competencies and share a common leadership language.

Learning and Development plan

In October 2022, we presented a broad Learning & Development plan that extends into 2024.

The plan includes all our global training offers and identifies the areas that we

believe will have the most significant impact on the development of our employees and organisation and therefore are in scope for further development.

Processes to support development and retention

We have several processes in place to develop and retain our colleagues.

Goal and priority setting process

By the end of 2022, we completed the onboarding of all DSV countries to our goal and priority setting and talent review and succession planning modules on our global HR platform, now providing a global tool for all employees.

Our goal setting and feedback modules provide an opportunity to develop an open dialogue between employees and their managers. These modules are built upon our global employee development process and ensure that employees are aligned and working towards shared department objectives and developing accountability and motivation at work.

Talent review and succession planning

As we grow, so does our need for more skilled employees and leaders. DSV has a global talent review and succession planning process to support this development.

As part of this process, a thorough evaluation of employees and managers is carried out to assess their ability to take on more responsibility.

Attracting and developing future talent

To ensure that we continue to grow and succeed, we have several initia-

tives to attract new talent. And this year, we added a new trainee programme to our range of young professional training initiatives.

We aim to develop highly skilled and competent young people to help shape DSV's future. These colleagues will be supported and mentored throughout the programme, to help them reach their full potential.

Young DSV

Young DSV is our training programme for entry-level DSV employees. It offers a mix of on-the-job and theoretical training. We aim to give participants a full DSV education and ensure they get the strongest possible foundation for their freight forwarding career with us.

Young DSV is a way for us to develop young people into highly skilled freight forwarders in only two years. This gives them the best possible career start – locally or internationally – and sets up our business for the future.

This multidivisional programme is currently running in parts of Europe, and we are offering participating countries up to 65 trainee places each year.

Solutions Accelerate programme

Our industry is changing dramatically. In supply chains today, there are more complex and sophisticated technologies, and customers' needs are more diverse than ever before, all of which call for competent and highly trained staff.

We have established a Sustainability Board consisting of the Executive Board as well as other relevant management representatives and chaired by our Group CEO. This Board facilitates our analysis of materiality, climate risk assessments and global initiatives as well as provides input for implementation of the strategy by the Board of Directors and Executive Board within our key priority areas.

We have piloted the programme this year, and currently, there are ten young professionals enrolled, and we aim to have 12 participants in the 2023 cohort.

After completing Solutions Accelerate, graduates will have experienced different DSV positions, created their network and gained knowledge on working internationally. This is excellent preparation for future positions within DSV.

Engaging with our employees

Our employees play an active role in shaping our culture and workplaces. DSV employees are also given the opportunity to share their thoughts on our business, making DSV an even more attractive workplace.

Low employee engagement and a lack of recognition can negatively impact on employee satisfaction and retention levels. As a result, we are continuing to develop ways to engage with our employees. This includes conducting our first global employee engagement survey and providing valuable and representative insights and data across our countries, divisions and teams.

We also have a stringent goal and priority setting process. This enables effective communication and alignment with managers and helps to encourage employee performance, development and job fulfilment. This is combined with talent review and succession to identify individual development needs.

Involving our employees in developing our global workplace

In 2022, we ran our first global engagement survey. Prior to this, a succession of acquisitions and integrations over recent years made conducting a global survey extremely challenging. Some DSV countries had run similar initiatives in the past, but doing this across our global network provided several advantages. The results are expected to give us a better, and not least more consistent, structured and comparable understanding of our employees' overall job satisfaction and motivation, and we are planning to continue running engagement surveys on a recurring basis. We aim to use these insights to further improve our many varied workplaces worldwide and drive DSV forward at all levels of the organisation.

Comparing local knowledge transparently

We carried out the survey in all DSV countries, covering every employee on our payroll. To include as many people as possible – and increase participation – we made it available in more than 40 languages, with a guarantee of 100% anonymity by a third-party provider for the data collection and results processing, thereby increasing the chance for a better result in the end. We ended up receiving a 73% response rate which overall provided a positive result. We are currently reviewing the results in details whereafter these findings will be addressed throughout the organisation.

Through the survey, we expect to get a transparent overview, including detailed insights into perceptions of leadership, cooperation, inclusion and learning. We will also receive feedback on working conditions, harassment, our whistleblower line and sustainability initiatives.

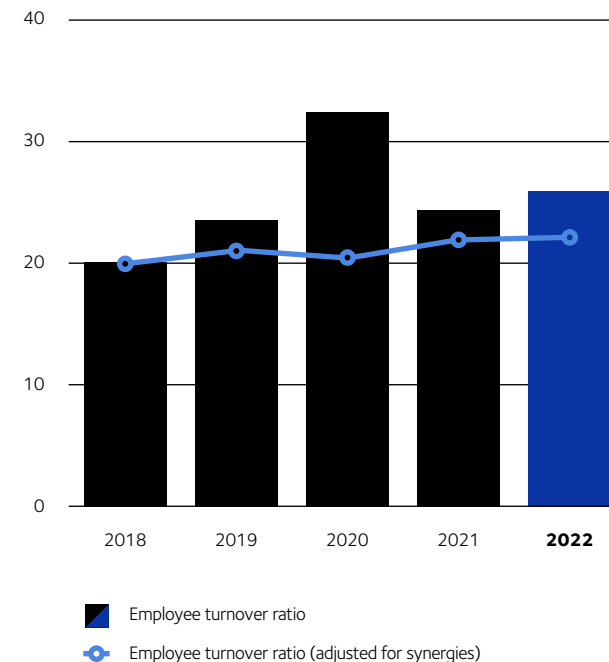
Reporting and following up

We intend to follow up at all levels of the business, but most importantly, within our various departments, because we know that employee engagement and general job satisfaction are highly dependent on your immediate manager and daily working life.

Employee turnover

In 2022, our total employee turnover was 26%. This was slightly higher than in 2021. The turnover rate can, in part, be attributed to the GIL integration, leading to a reduction in staff – especially at management levels and in double functions.

Adjusting the numbers to account for the impact of the integration, the rate was 22%. This is on par with last year. And we consider it to be a reasonable level for our industry, especially in a climate where global demand for employees is extremely high.



Improving diversity and inclusion

Having a diverse workforce – where anyone can realise their potential – is a business advantage. A diverse team working in an inclusive culture fosters a dynamic workplace and, ultimately, better business decisions.

Embracing our differences as an advantage

We believe nurturing and leveraging diversity and inclusion give us a business advantage in today's market. We have formalised these beliefs in our Diversity and Inclusion Policy, which applies to all employees across DSV, including the Executive Board and the Board of Directors. The Board of Directors has the overall responsibility for this Policy and will review it annually based on recommendation from the Nomination Committee.

In 2022, we continued with mandatory diversity and inclusion training for all DSV managers and HR employees and added a new compulsory e-learning module within our recruitment process. The new module is a 30-minute introduction to recruitment. It focuses on helping our colleagues to better understand the required policy steps, remove biases and achieve balanced interviewee shortlists. This module is mandatory for all DSV managers and HR employees.

We also increased the frequency of our diversity data reporting to the Board of Directors, creating quarterly transparency on the composition of our workforce. Whilst data can give us facts about diversity, perceptions around inclusivity can be more subjective. For that reason, we have included questions on inclusion and harassment in our global employee survey. This will provide global and local insight into how our employees experience our workplaces.

Locally, the DSV businesses have also worked with the diversity, equity and inclusion agenda in 2022. As a global company, we recognise that the topics that are the most important vary from country to country and should also be dealt with locally. For example, in certain parts of the DSV world, the focus is heavily on race and cultural background, whilst in oth-

ers, it is on religion, gender or disabilities. Therefore, local diversity, equality and inclusion initiatives comprise everything from using recruitment agencies that are highly specialised in minority groups, to veteran initiatives, training in eliminating harassment and learnership programmes for specific population groups to initiatives targeted at female leaders. As a group, we welcome the local initiatives that cater to local needs – and which could never be captured by a “one size fits all” approach.

Diversity at the Board and Executive Management levels*

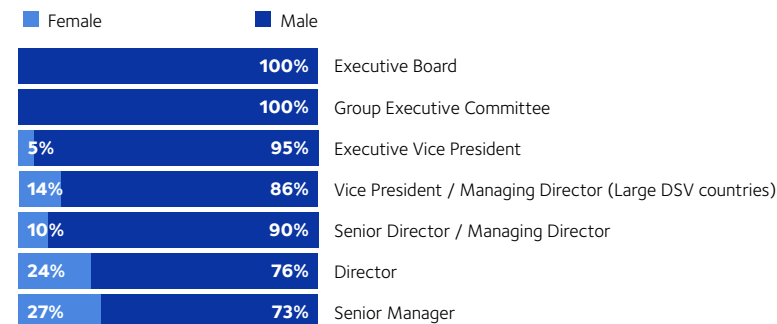
Our Board of Directors comprises 38% women and 62% men, which we consider a fairly equal gender composition. Three of our eight board members live in countries other than Denmark and have foreign citizenships.

The gender composition of our Executive Management, comprising the Executive Board, Group Executive Committee and Executive Vice Presidents, is unchanged from last year, characterised by a low female representation. To accelerate an equal gender distribution at the highest management levels, the Executive Board and the Nomination Committee of the Board of Directors has, in 2022, as the basis for its preparatory work, considered these issues as part of the Executive Board's longer-term succession planning. Consequently, it has been decided to work towards a target of 40% female representation at Executive Management levels in the large Danish companies within the DSV Group in 2030. Development of initiatives to reach this target will continue into 2023.

Gender distribution in workforce and management

With three major acquisitions in the last six years, DSV has grown significantly.

Management composition from Executive Board to senior managers



We have expanded our footprint to over 80 countries, and our workforce of more than 75,000 employees represents more than 150 nationalities. Our staff are made up of a range of experiences, cultures and religious backgrounds. DSV's global workforce is also made up of 39% women and 61% men. The total proportion of female managers is 32%.

When we look at the proportion of women across the different levels of management, the development compared to last year varies. The percentage of women titled Vice Presidents and Senior Directors has dropped slightly, while Directors and Managers increased, and as such, the journey towards a more diverse workplace continues.

National and age-related diversity

Across the world, we employ people from more than 150 different national backgrounds. At our Danish headquarters, people of more than 40 different nationalities arrive for work every day.

The average tenure of a DSV employee is eight years – with 22% of all staff staying with us for more than 11 years. We employ people across all age groups. The average age of a DSV employee is 39 years old.

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

Our health and safety culture

We are continuing our journey to build better health and safety capabilities world-wide. To do that, we focus on promoting a culture of collaboration, managing risks, improving standards and finding new ways to keep our employees safe.

To ensure that our employees are safe and comfortable at work, we run many different health and wellbeing initiatives, and we have a continuous day-to-day focus on workplace safety. This enables us to have an ongoing dialogue with our employees, ensure that our occupational health and safety policy is coherent, and promote a culture of continuous improvement.

Our approach to health and safety starts with partnerships, collaboration and training initiatives. We deliver the fundamental capabilities required for anyone working for DSV in a safety capacity or assigned to deliver safer outcomes. This ensures that we have safety professionals across our global network, who will remain focused on our four main pillars of safe workplace, safe people, safe equipment and safe system.

Welcoming GIL

As part of the onboarding of GIL, we had to evaluate all new locations to ensure that workplace safety standards were sufficient. We completed this onboarding process in Q3 2022 for close to 300 locations in almost 60 countries. An essential part of this process was conducting thorough risk assessments and ensuring that local staff were aware of and implemented DSV health and safety measures.

The successful integration effort was completed without major incidents, and we now have a consistent and standardised approach across all facilities within the DSV network.

Our performance this year

By continuing to collaborate and identify and mitigate risks, we are improving our standards and finding more efficient solutions to keep our colleagues safe.

In addition to the 310 internal health and safety audits we completed in 2022, Bureau Veritas Certification conducted 83 audits across 77 locations to ensure that we remain compliant to the ISO 45001 standard.

Data from these audits as well as other data are being utilised to analyse and identify trends and areas of improvement within our health and safety practices. We share safety alerts globally when relevant to reduce recurrent high-risk scenarios and ensure transparent reporting about development.

Our ongoing initiatives are having a positive impact on our health and safety performance. This year we have seen a decline in our lost time injury frequency rates (LTIFR), measured per million working hours. In 2022 the LTIFR was 2.8, which is a notable change compared to the 2021 LTIFR at 4.5. Also, our lost workdays due to lost time injuries (measured per million working hours) was 52 this year, which is well below our target and decreased compared to 2021.

✓ Safe Workplace

- Emergency preparedness
- Safe storage and handling
- Managing all interactions

✓ Safe People

- Competent and trained staff
- Measure safety performance
- Drives improvements

✓ Safe Equipment

- Procurement standards
- Operate as intended
- Maintain to agreed standards

✓ Safe System

- Manage risks
- Safe work practices
- Comply with legislation and other requirements

We have seen an increase in our sickness absence rate which is likely due to the GIL merger putting a strain on employees for a period. The rate increased by 14% compared to last year and is main trend is driven by our salaried employees with a 19% increase. We also had a light increase for our hourly workers with 10% compared with 2021, but we have worked to reduce the absence rate throughout the year which have had a significant effect.

Fatalities in 2022

The loss of life sadly remains a risk, and in 2022 we regretfully report that three colleagues lost their lives while working for us. These fatalities included two road accidents involving drivers in South Africa and Bahrain. Both of these accidents did not result in any other loss of life. The third fatality was the result of injuries sustained by a warehouse employee during offloading operations in Kuwait. We have taken a lot of learnings from these tragic incidents and will ensure that we continue to mitigate risk where possible and eliminate the factors and behaviours that lead to these fatalities. We have carried out thorough investigations to reinforce our existing safety standards, retrained staff and evaluated other measures to further strengthen workplace safety measures for our employees.

A policy for occupational health and safety

Our overall health and safety framework aims to achieve a safe physical and psychological working environment for employees. The key to achieving this is by cutting the risk of incidents, accidents and ill health everywhere in the world we do business. And this applies as much to customers and visitors to our locations as it does to our employees and subcontractors.

As part of our continuous improvement approach, in 2022 we reviewed our health and safety policy through a consultation process with local safety professionals. During this process, we evaluated our approach and identified areas of improvement.

The emergence of robotic technologies and AI are becoming an increasing presence in the workplace and is relatively new from a health and safety perspective. In 2023, we will update our supporting health and safety training to account for new industry developments and pilot it in selected countries.

A new electronic Quality Management System (eQMS)

To improve the quality and efficiency of our safety data we are strengthening our electronic Quality Management System (eQMS) with a new setup that will be launched globally in 2024.

This will be a full-year project in 2023 that will focus on three core areas: controlled document management, incident and deviation management, and audit and inspection management.

Introducing the eQMS will help us take advantage of digitalisation technology to create more efficient workflows and optimise risk awareness and behaviour. The eQMS will also enable real-time health and safety collaboration and communication and improve transparency, productivity and scalability across the organisation.

Safe transport of dangerous goods

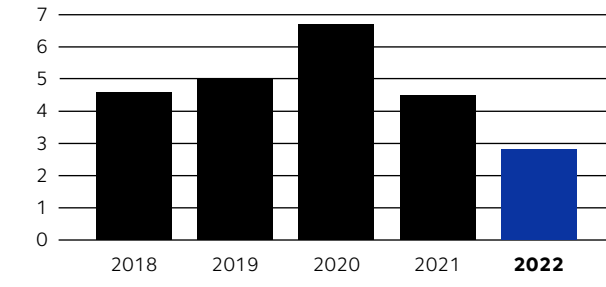
If not properly handled, working with dangerous goods can lead to a number of health and safety risks. We work diligently to ensure we remain compliant with statutory regulations and industry standards for transporting dangerous goods.

During 2022, we have created a new global dangerous goods awareness training programme to enhance and streamline our efforts across the organisation.

We will be initiating training as e-learning for every relevant operational employee in DSV during 2023. This training programme will aim to assess and define the necessary skills needed for transporting high-risk dangerous goods and lithium batteries, ensuring the best foundation is in place to minimise risk within the area.

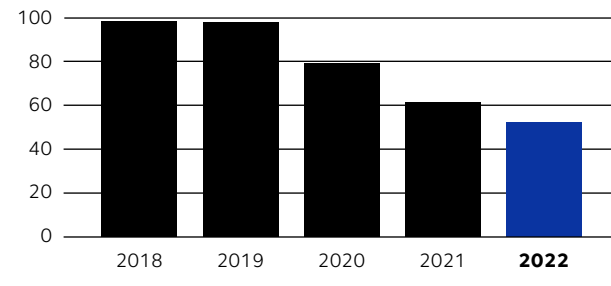
Lost Time Injury Frequency Rate (LTIFR)

(per million working hours)



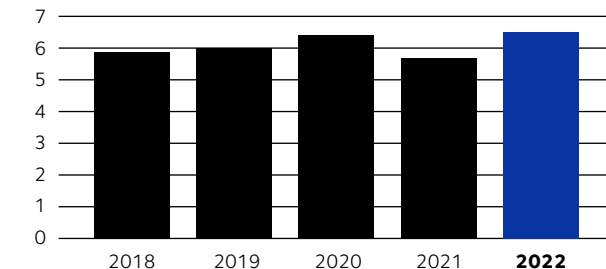
Lost workdays due to lost time injury

(per million working hours)



Sickness absence

(days per FTE)



Community engagement

At DSV we are committed to supporting and giving back to the communities we do business in. We do this through a combination of programmes and activities that respond to local and global needs, enabling us to utilise our expertise, capabilities and resources to make a difference for people and communities around the world.

Engaging globally with local communities

We take local action to help support communities around the world. We want to make a difference for the local communities we do business in and utilise our capabilities to help when a natural or human-caused disaster happens somewhere around the world.

Our local support and engagement vary from country to country, but we want our projects to positively impact people and societies.

Local involvement and employee volunteering

Thanks to our dedicated employees, our engagement reaches across the globe, helping local communities deal with environmental or social challenges. Through the continued contribution of our employees, we ensure that the resources we allocate go straight into delivering immediate benefits to local communities.

Our local programmes include a variety of different volunteer activities. Our employees are involved in fighting waste pollution, recovery activities following natural disasters, supporting school programmes, improving reforestation – and these are just a few examples of the fantastic effort people put into making a tangible difference.



Removing plastic waste from the oceans

In Switzerland, our Air & Sea business has partnered with local start-up company Tide Ocean SA to remove plastic waste from oceans and convert it into high-quality granules that can be used to make new products.

As their exclusive logistics partner, we transport the plastic granules to Switzerland from all over the world and provide storage solutions as needed.

We are contributing by paying the amount to compensate 1 million PET bottles per year.

This is an important step towards cleaning the world's oceans and re-storing the ecosystem in the coastal regions of Southeast Asia.

Joining World Cleanup Day

As in previous years, we participated in the 2022 World Clean up Day. This year, DSV teams in several countries including South Africa, Singapore and Poland helped pick up litter and mismanaged waste from beaches, rivers, forests and streets.

In Singapore, our Air & Sea team partnered with local DSV customers to do clean-ups at Pasir Ris Park, a public beach and recreational park in the north-eastern part of Singapore. The goal was to clean up and ensure that the waste collected was treated as sustainably as possible. Everything gathered was separated into recyclable and non-recyclable rubbish, and during the four-hour event, 127 kg of waste was collected, 55 kg of which was recyclable.

Participating in World Clean up Day – the globe's largest litter clean-up event – supports our efforts in using resources efficiently and responsibly, recycling and maintaining a clean environment.



Global partnership with Danish Red Cross

The Danish Red Cross' know-how in disaster response combined with our logistics competencies helps them react quickly to disasters anywhere in the world. We contribute logistics preparedness in cases of major natural disasters and humanitarian crises on a global scale.

Our logistics expertise can help save lives and reduce the impact of disasters when we partner with leading humanitarian organisations.

In 2022, we continued our donation of 2,000m² of warehouse space in Hedeland, Denmark, to the Danish Red Cross. The warehouse was designed specifically to store emergency relief equipment and enable training of disaster relief teams for deployment. The equipment and delegates are always ready to travel to a disaster zone within 48 hours.

A shipment of emergency vehicles filled with first aid equipment to Ukraine at our warehousing facilities in Hedeland, Denmark.

The warehouse location gives easy access to highways, ports and airports – all essential when disaster strikes.

The DSV-sponsored emergency relief warehouse's efficiency was tested when the conflict in Ukraine escalated on 24 February 2022. Truckloads of relief items – everything from first aid kits to teddy bears – left the warehouse along with expert delegates from the Danish Red Cross.

Arriving in Ukraine, the delegates helped to build one of the main pipelines for humanitarian aid into the country via a southern route from Romania. In Chernivtsi, the relief items were off-loaded in local warehouses and redistributed to meet the needs of some of the most vulnerable people across Ukraine.

Delivering effective disaster response

Alongside our work with local communities, we are fortunate to have the capabilities needed to help when a natural or human-caused disaster happens somewhere around the world. We are able to allocate the appropriate resources and services on a case-by-case basis. We can then provide a range of services including transport solutions, warehousing and know-how to make a quick and tangible difference.

On a global scope we also continue to support the efficient delivery of humanitarian aid around the world. Our global community efforts revolve around our ongoing partnership with the Danish Red Cross. This provides a unique opportunity for us to use our services and solutions to help people in need.

Doing what we can for Ukraine

In 2022, we did what we could to reduce the devastating impact of the war in Ukraine on the country and its people. In several countries, DSV teams worked to transport aid and relief necessities to many of the Ukrainian people left without clean water, food and medical supplies.

In several countries, local DSV management initiated fundraising campaigns, and our colleagues have volunteered to help the people of Ukraine.

In Poland, one of Ukraine's most affected neighbours, local DSV management and employees were involved in lots of different initiatives to help the many refugees coming into the country. These included providing financial and logistics support for various humanitarian organisations as well as collecting medical supplies and other commodities.

In Lublin, we dedicated a warehouse to the cause, consolidating goods from various European countries in preparation for shipment to Ukraine. Other support initiatives included distributing warm blankets, food and other necessities for Ukrainians in need.

ESG progress

Our integrity

At DSV, we have a strong set of ethical standards which govern the way we do business and ensure that our suppliers operate to the same standards of integrity.

We believe that having clear and honest governance builds trust. And being trusted by customers, partners and society contributes to more efficient business operations and long-term success.



Responsible business

We operate in more than 80 countries, each with distinctive laws, customers, regulations and cultures. The goal for DSV is to ensure that we continue to act with the same level of integrity across all these markets.

Unethical behaviour can impact the societies in which we operate, our reputation and profitability and potentially expose us to significant risks.

These risks are mitigated within our compliance setup, including a strong Code of Conduct, Supplier Code of Conduct, Anti-bribery and Corruption principles and a Whistleblower system, enabling employees and suppliers to report any possible misconduct anonymously.

The DSV Code of Conduct forms our ethical foundation and guides our principles, behaviour and culture. By acting in accordance with the Code, we ensure fair, transparent and lawful business operations and mitigate several risks to the organisation. We regularly review and update the Code of Conduct and ensure that all our employees understand and apply it.

The same is true of our Supplier Code of Conduct. We set the same standards and principles for our partners and suppliers as we do for our employees. This helps us maintain our integrity in all activities – whoever is acting on our behalf.

Part of our ethical foundation is our zero-tolerance stance on bribery and corruption across all our operations. We comply with several international guidelines, including the UK Bribery Act, US Foreign Corrupt Practices

Act and local legislation. Our approach covers all forms of bribery and corruption, including facilitation payments, gifts and hospitality.

Our anti-bribery principles are reviewed annually against the guidance published by the US Department of Justice for compliance with the US Foreign Corrupt Practices Act.

This strict anti-bribery stance also extends to political causes and institutions. As such, DSV funds, property or services are not used to support any political purposes, including indirect political contributions, and we do not participate in any political activities or support any political campaigns, parties, organisations or politicians.

Helping DSV employees act with integrity

As part of our annual review, we updated our Code of Conduct – particularly the section on human rights. While the Code of Conduct's principles and standards have remained consistent, we have made amendments to provide additional clarity on the rights and responsibilities of our employees.

The Code of Conduct provides guidance for the behaviours that we expect from our employees. As a result, it is important that all new employees are familiar with the Code of Conduct as part of their recruitment process.

Achievements 2022

- ✓ 100% completion of the Code of Conduct course by salaried employees who were assigned to the e-learning module.
- ✓ Implemented our Third-Party Risk Management programme.
- ✓ Completed 600 supplier audits.

Targets 2023

- Ensure that all salaried employees receive training on DSV's Code of Conduct every 24 months.
- Onboard all new suppliers in accordance with DSV's Third-Party Risk Management Framework through a uniform global process.
- Perform 750 supplier audits.

As new salaried employees and internal contractors are onboarded, they are provided with a global e-learning programme outlining the principles of the Code of Conduct including training and testing. The e-learning covers the topics from the Code of Conduct, including business integrity, anti-bribery and corruption, human rights, discrimination and harassment.

All salaried employees must complete the Code of Conduct e-learning within a cycle of two years. Over the last two years, over 32,500 employees completed the Code of Conduct e-learning, this included new employees, as well as existing staff who were retaking the course. In 2022, we achieved a 100% completion rate among the salaried employees who were assigned the e-learning module. To include employees on hourly rates where e-learning is not practical, we provide local classroom training programmes.

In 2023, we will continue with our Code of Conduct e-learning programme. We will also maintain our commitment to provide all of our employees with access to the DSV Code of Conduct, as a clear and public statement of the standards we apply through our value chain.

Running an effective whistleblower system

Occasionally, there will be incidents in our operation or supply chain that may fall short of our standards of integrity. Through our whistleblower system, we ensure that all DSV employees, suppliers and partners can securely and confidentially report potential misconduct. Reporters can raise concerns ranging from breaches of the Code of Conduct or illegal activities to unethical behaviour.

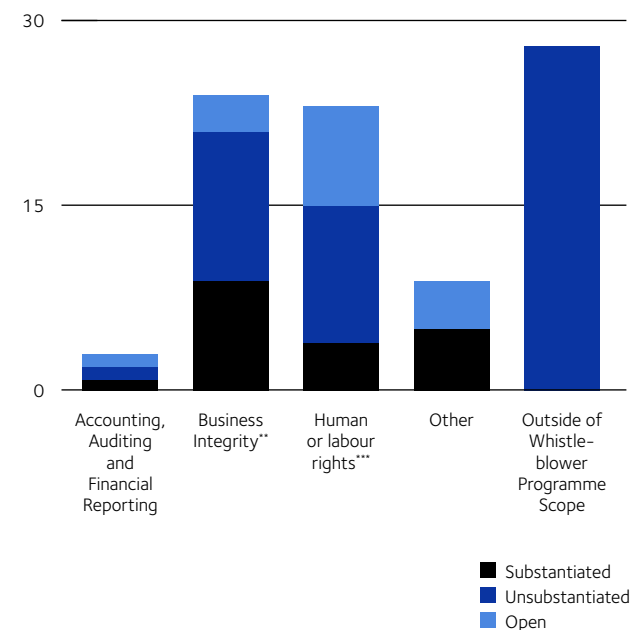
We want anyone who reports misconduct to feel completely safe raising any concerns. They should be confident their report will be taken seriously and handled objectively. That is why our whistleblower system – available as an app and website – is hosted by an external provider.

Whether reporters give their identity or not, we maintain strict confidentiality throughout the reporting and investigation process. We handle all reports equally and protect all reporters against retaliation. We do not tolerate any kind of retaliation against people raising a concern in good faith.

In 2022, there were 84 reports made through the whistleblower system, but none relating to any confirmed cases of corruption. Of these reports, 52% were made anonymously. The higher the percentage of reporters willing to disclose their identity, the better our ability to follow-up on investigations.

In 2023, we will be running campaigns on whistleblower reporting to increase awareness, trust and understanding of the system and the reporting process. The campaign will focus on making the reporting and investigation process even more transparent so that employees understand the system and process better.

Whistleblower reports per category*



* Some cases can span multiple categories (e.g. if a reporter raises concerns about instances of bribery & corruption and discrimination within the same case).

** Including conflict of interest and anti-bribery and corruption.

*** Including health & safety and discrimination & harassment.

Running a responsible supply chain

Due to the nature of our business, we rely heavily on third-party vendors to help facilitate services and solutions. We build trusted partnerships with them through direct and open communication channels. And we expect that these organisations live up to the same high standards as we set for ourselves.

Every year, we distribute our Supplier Code of Conduct to all third-party vendors with whom we spend EUR 25,000 or more. This is one of the ways we make sure that we drive high standards of integrity across our whole supply chain. It helps to remind DSV suppliers of their responsibilities and any of the latest updates to standards.

To ensure that our suppliers are consistently following the applicable standards, we also carry out regular supplier audits. We have fulfilled our 2022 target by having conducted 600 audits during the year. Next year we have set a target of 750 supplier audits.

To improve further, we implemented a new global Third-Party Risk Management (TPRM) process. It is a centralised risk-based approach to third-party screening, assessing, approving and monitoring. It optimises various existing DSV approaches to third-party management, centralising efforts and enhances our global minimum standard for our entire supply chain. This means that we have made the TPRM process more efficient since it also enables us to automate the distribution of the Supplier Code of Conduct to all relevant suppliers and getting sign off on the code.

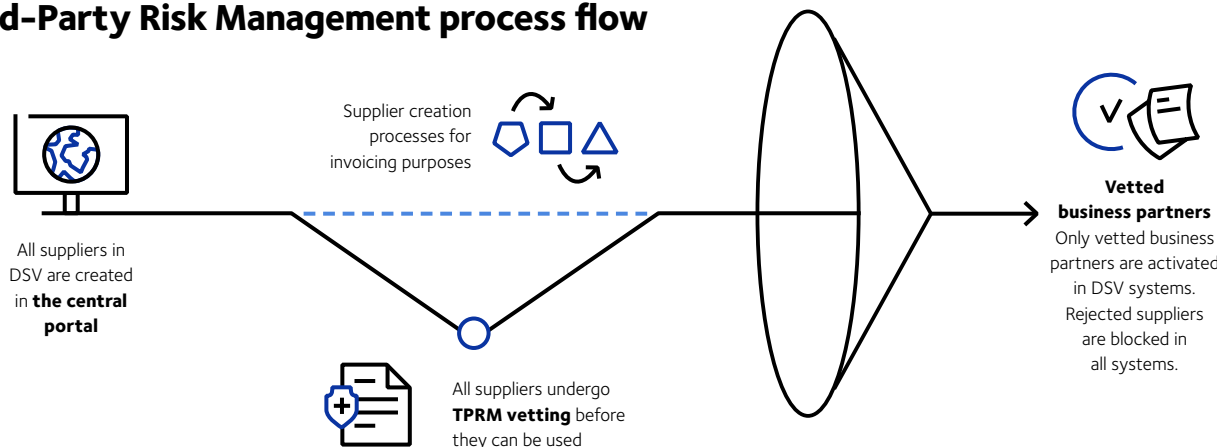
Since September 2022, we have been using the programme to onboard all new suppliers, fulfilling our 2022 target. This target will remain in place in 2023 to manage suppliers and track the efficiency and benefits of the programme.

The TPRM process is connected to our master data, which means all suppliers registered with us are always subject to it. This also enables us to use the TPRM to expand on any requirements we may have for third parties.

In 2023, we will continue to embed our standards further into our supply chain by developing the TPRM process to capture broader topics on which

we would like to screen and evaluate our suppliers. These will be based on the assessment and identification of any potential risks associated with our suppliers, their industries, countries in which they operate and the transport services they provide.

Third-Party Risk Management process flow



A responsible approach to tax

DSV has operations in more than 80 countries worldwide. Across the globe, we deal with operational, financial and reputational risks that need our attention. This is also true for compliance with tax laws in the countries in which we operate.

Our tax contributions

Paying taxes is part of our role in society. Through tax contributions to the countries and communities we do business in, we directly and indirectly support local communities. Our tax payments contribute to achieving any UN Sustainable Development Goals that need tax-funded investment.

In 2022, we contributed with direct and indirect taxes – corporation tax, VAT, GST and duties – in more than 80 countries. The corporate tax payments totalled DKK 5,178 million with an effective tax rate of 23.9%.

There is more detailed information on our corporate tax contributions in the [DSV Annual Report](#) (notes 5.1 and 5.2 and in the cash flow statement).

To create transparency and help standardise our reporting on tax governance and approach to taxes in general, we use the 'GRI 207: Tax' reporting standard as guide to our disclosures on how we manage taxes. To further improve our tax transparency, we intend to publish a detailed separate report on our approach to tax and data in the beginning of 2024 covering 2023 including country-by-country overview of corporate taxes.

Tax governance and risk management

DSV is committed to comply with tax legislation. Our tax governance framework is the basis for our approach to tax. It includes our Global Tax Policy, which is reviewed and approved annually by our Board of Directors.

The framework guides decision-making on tax affairs across the organisation and helps us keep a strong focus on compliance.

Role	Responsibility
Board of Directors	Overall responsibility for the Global Tax Policy and reviewing it annually as well as for the tax compliance framework.
Executive Board, Group CFO	Day-to-day responsibility for tax management.
Group Tax	Supporting Group CFO in managing tax framework and issuing guidelines to ensure tax legislation is observed and complied with. Monitoring and assessing updates to tax law.
Subsidiary Management	Responsible for ensuring compliance with tax legislation and implementing DSV's tax principles. Monitoring and assessing local updates to tax law in collaboration with Group Tax.

Our Global Tax Policy

Setting out central principles for tax management.

1. We live up to our social responsibilities

That means paying taxes in the countries and communities where we do business and where our employees are based. And it also means being committed to transparency with tax authorities.

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

2. We want to be compliant

A cornerstone of our business is to act to be compliant with applicable laws to meet our filing and tax payment obligations.

We design our tax risk management processes in the same way as other group risks, aiming to be compliant and make sure we act appropriately and consistently.

3. We work to provide a positive return on investment for shareholders

We have a duty to generate sustainable returns for DSV shareholders. So we manage taxes as a cost to the business.

We use non-aggressive tax incentives and planning opportunities that are relevant to our business and designed to be used as such by local governments in the countries in which we operate.

Our risk management framework helps us monitor and manage risks and ensure we stick to our overall policy and deliver reliable and consistent reports to our stakeholders worldwide, including local tax authorities.

We have a low appetite for tax risk. If we identify risk in the business, we report it along established lines of communication to the appropriate level of management. Risks and potential issues are escalated to Executive Board and, if needed, the Board of Directors, and necessary and remedial plans are put in place.

During day-to-day business, uncertainty about the letter and spirit of the law can sometimes lead to circumstance whereby our situation is not fully clear. We apply professional judgement, set up internal policies and use external advisors to make sure we have the right level of expertise available. The positions and actions we take to address uncertainties are managed by our Group Tax team and signed off by the Executive Board.

Tax planning and using tax incentives

We pay 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 line with local laws. The way we do business is driven by commercial strategy and priorities – not tax planning.

That means not creating artificial structures in tax havens to avoid taxes, and not engaging in tax planning to move revenue from high- to low-tax countries to minimise tax payments.

But to maintain end-to-end supply chains for our customers, we have operational entities in countries that might commonly be seen as tax havens.

For example, DSV has operations in Panama to secure transport to and from the country – even though the EU classifies Panama as a non-cooperative tax jurisdiction.

DSV does not support non-operational entities in identified tax havens, but occasionally we inherit offshore companies from acquisitions. Whenever this happens, we make it our priority to eliminate them as soon as possible.

However, this can be a very time-consuming process. In 2022, we continued our efforts to liquidate non-operational offshore entities – work that we expect to continue and complete over the next few years.

Open dialogue with the tax authorities and other stakeholders

We identify and develop collaborative relationships with tax authorities wherever we can. These are driven by our Group and local tax functions.

Through this cooperative approach, we push for constant and open dialogue. This helps us make sure our processes comply with the law from the start – avoiding lengthy tax disputes down the line. There are various formal cooperative compliance programmes available around the world, and we aim to expand our participation in these programmes. As part of our dialogue with tax authorities, we continuously assess the most relevant basis for cooperation, including the formalised compliance programmes and advance rulings.

We also aim to have an open dialogue with investors, advisors and rating agencies on tax management around our ESG agenda and hope to illustrate our ongoing commitment to tax transparency.

Activities and progress

A large focus this year has been to integrate GIL into our tax and compliance framework. This involved restructuring the business to align it with our business and legal structure.

Also during 2022, we began a project to prepare for the Organisation for Economic Co-operation and Development's (OECD) global minimum taxation of 15%. This is something that we support. The project will continue into 2023. Future work on global minimum taxation will also include procedures for managing the subsequent larger compliance burden.

In 2023, we will continue to strengthen our focus areas, performing tax risk management and key controls to identify and mitigate potential tax risks from our operations.

Total tax contributions overview

Corporate income taxes

Generated in the countries where we have a local presence, such as an office or warehouse. We are where our customers need us and are therefore present in more than 80 countries.

Customs duties and VAT for shipments

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 subcontracts transportation and does not own the trucks, planes, trains or ships that carry the cargo. 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.

Cybersecurity and data privacy

As we increasingly utilise new technologies, secure data has become critical for our business and an essential requirement from customers, employees and other stakeholders. We continually work to stay ahead of potential risks and strengthen our data privacy and cybersecurity measures by making these as efficient, secure and transparent as possible.

Defending ourselves against cyberattacks

We have safeguards in place to preserve the confidentiality, integrity and availability of all DSV information. However, holding data securely is not just about lowering risk. It is also about helping to reduce the impact of disruptive events, supporting business continuity, complying with laws and regulations, and building trust with our stakeholders – in the knowledge that we treat their information with the utmost care and confidentiality.

DSV's operations rely heavily on information technology and systems to provide high-quality service levels and efficient solutions for our customers. As a result, we consider our technology as an important asset, essential to delivering operational excellence. To protect these assets, we have established an Information Security Programme which is based on assessing the cyber threat landscape and mitigating possible risks. The programme follows information security best practices and is based on principles from leading international standards such as ISO 2700X series and the Center for Internet Security Controls (CIS Controls).

Another key component of our Information Security Programme is effective governance with a clear organisation and well-

defined roles and responsibilities, including IT security being anchored in an IT Security Board chaired by our Group CFO. This is essential to maintaining information security across all levels of the organisation.

We have dedicated resources for information security overseeing governance and day-to-day operational management of IT security. They work towards continuous identification, assessment and remediation of information risks across the organisation, implement prevention technologies and perform proactive monitoring of threats. We continuously monitor our systems and are able to detect and respond to any potential threats with our 24-hour Security Operations Centre. Likewise, we are not aware of any third-party information security breaches affecting our systems.

In recent years, we have streamlined our global information security policies and governance framework to provide clearer guidance for employees. We have also created and published an Acceptable Use Policy for our employees to ensure they know their individual responsibilities when using and protecting DSV and customer data.

Keeping data private

At DSV, we handle a broad range of personal data on behalf of customers, consignees, vendors, employees, job applicants and other individuals who are protected by our privacy policy. In all of our activities, we must ensure that organisational and technical security measures are in place to help keep data flowing securely and efficiently.

We safeguard data by continuously monitoring our operations to ensure compliance with local and international data privacy laws in the countries we do business in – including the EU's General Data Protection Regulation (GDPR). During 2022, there were no reported data privacy breaches across all DSV operations.

Our employees are essential to ensuring data privacy is maintained at all times, particularly staff who handle sensitive information on a regular basis. This is why we engage in ongoing training and regular news bulletins to make sure all DSV employees are aware of the data privacy issues that affect us and how best to avoid potential breaches.

Our recent acquisitions have meant that the volume and complexity of personal data that we handle has increased. As a result, to make sure that we continue to follow the global data privacy rules that apply to us, we are implementing a new, streamlined universal data privacy enterprise solution. It will replace our existing multi-component privacy management framework during 2023 and enable us to manage a higher volume of data efficiently and securely.



Embedding cybersecurity at all levels of the organisation

DSV employees are our first line of defence against information security threats and potential breaches. As a result, we provide a wide range of education resources to drive greater awareness, influence behaviours and strengthen security amongst employees. Providing them with the tools they need to effectively defend the organisation against cyberattacks.

Our Simply Secure programme aims to make security practices and knowledge accessible, understandable and engaging for every employee – regardless of where they work. It promotes awareness through monthly newsletters, e-learning training, intranet news articles and an online security training platform. Until now, our awareness programme has covered internal DSV employees, but from 2023 we will expand our security awareness scope to include contractors. Global bite-size training modules (like email phishing simulations) help our employees stay aware and vigilant.



ESG Performance data 2022

Management statement	43
Independent limited assurance report	44
Our reporting approach	46
ESG data summary	47

Management Statement regarding the Sustainability Report

The Board of Directors and the Executive Board have today considered and approved the Sustainability Report of DSV A/S for the reporting period 1 January – 31 December 2022.

The ESG Performance Data in the Sustainability Report has been prepared in accordance with DSV's stated sustainability accounting policies (Accounting Policies) as stated on [pages 46–51](#).

In our opinion, the Sustainability Report for 2022 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, 2 February 2023

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

Birgit W. Nørgaard

Marie-Louise Aamund

Beat Walti

Niels Smedegaard

Tarek Sultan Al-Essa

Benedikte Leroy

Independent limited assurance report on the Environmental, Social and Governance Performance data

To the Stakeholders of DSV A/S

DSV A/S engaged us to provide limited assurance on the Environmental, Social and Governance Performance data stated on [pages 47–51](#) in the 2022 Sustainability Report of DSV A/S for the period 1 January – 31 December 2022 (the "ESG Performance data").

Our conclusion

Based on the procedures we performed and the evidence we obtained, nothing came to our attention that causes us not to believe that the ESG Performance data in the 2022 Sustainability Report for the period 1 January – 31 December 2022 of DSV A/S are prepared, in all material respects, in accordance with the accounting policies developed by DSV A/S as stated on [pages 46–51](#) (the "accounting policies").

The comparative information for 2018 – 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 Performance data stated on [pages 47–51](#) in the 2022 Sustainability Report of DSV A/S.

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'. The quantification of greenhouse gas emissions is subject to inherent uncertainty because of incomplete scientific knowledge used to determine the emissions factors and the values needed to combine emissions of different gasses.

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 behavior, and ethical requirements applicable in Denmark.

PricewaterhouseCoopers applies International Standard on Quality Management 1, ISQM 1, which requires the firm to design, implement and operate a system of quality management including policies or 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 Performance data need to be read and understood together with the accounting policies. The accounting policies used for preparation of the ESG Performance data are the applied accounting policies developed by DSV A/S, 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 ESG Performance data 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 Performance data. In doing so and based on our professional judgement, we:

- Evaluated the appropriateness of the accounting policies used, their consistent application and related disclosures in the Sustainability Report;
- Made inquiries and conducted interviews with DSV A/S' management with responsibility for management and reporting of the ESG Performance data to assess the reporting and consolidation process, use of company-wide systems and controls performed;
- Performed limited substantive testing on a sample basis to underlying documentation and evaluated the appropriateness of quantification methods and compliance with the accounting policies for preparing ESG Performance data at corporate head office and in relation to selected DSV A/S' reporting sites;
- Performed analytical review and trend explanation of the ESG Performance data; and
- Evaluated the evidence obtained.

Management's responsibilities

Management of DSV A/S is responsible for:

- Designing, implementing and maintaining internal control over information relevant to the preparation of the ESG Performance data in the 2022 Sustainability Report that are free from material misstatement, whether due to fraud or error;
- Establishing objective accounting policies for preparing the ESG Performance data;
- Measuring and reporting the information in the ESG Performance data based on the accounting policies; and
- The content of the Sustainability Report.

Our responsibility

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the ESG Performance data for the period 1 January - 31 December 2022 are prepared, in all material respects, in accordance with the accounting policies;
- Forming an independent conclusion, based on the procedures performed and the evidence obtained; and
- Reporting our conclusion to the stakeholders of DSV A/S.

Copenhagen, 2 February 2023

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. Associated companies and joint ventures are not included in the reporting scope. 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 2022 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 2022 are unchanged from last year. Energy efficiency KPI has been renamed to Carbon intensity and Compliance reviews KPI has been renamed to Internal on-site audits without changing the policies applied.

In 2022 we have extended our ESG performance data with the below disclosures. The policies applied are described in connection with the new data presented:

- Amount of hazardous waste recycled
- Amount of non-hazardous waste recycled
- Amount of hazardous waste incinerated/landfilled
- Amount of non-hazardous waste incinerated/landfilled
- Total number of supplier audits

ESG data selection

We consistently work towards developing our ESG performance 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, KPI risk 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 the transitional and physical impacts of climate change 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 our Content Index Report 2022 at <https://www.dsv.com/en/our-reporting>).

Global Reporting Initiative (GRI)

We are guided by the GRI Standards for some of our ESG Performance data. We do not aim for full GRI-based disclosure (see our Content Index Report 2022 at <https://www.dsv.com/en/our-reporting>).

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 our Content Index Report 2022 at <https://www.dsv.com/en/our-reporting>).

EU Taxonomy

As a listed Danish company, we assess and report on our sustainable economic activities in accordance with the EU Taxonomy. At year-end 2022, the economic activities of the DSV Group are not encompassed by the Climate Delegated Act of the Taxonomy – our business activities and derived

turnover are therefore not considered Taxonomy-eligible or aligned. Our operating expenditures (OpEx) and capital expenditures (CapEx) on purchased output from taxonomy-aligned economic activities are currently not material – neither when considering the monetary value of expenditures realised, nor when considering these in light of our business model.

Reasoning for these low values is a combination of the nature of the freight-forwarding business where the freight-carrying equipment is owned and operated by separate freight carriers and DSV's asset-light business model, which in combination implies limited application of taxonomy-aligned costs and investments. For additional description of our business model and company activities, please refer to the Our Company section on [pages 8–9](#) of this Report.

On 19 December 2022, the EU commission published a new draft FAQ providing guidance on how to interpret the EU Taxonomy. Included in the FAQ is a suggestion that any subcontracted activity recognised as revenue under IFRS 15 may have to be reported on in accordance with section 1.1.1. of Annex I of the Disclosures Delegate Act. This suggestion is contradictory, as activities which would not be considered eligible under the recognition criteria of the Taxonomy might be eligible if applying IFRS 15 Revenue recognition criteria instead. As the FAQ is in early draft not expected to be published before 2023 and because of the conflicting guidance, the FAQ has not been applied as basis for considering eligibility of DSV activities for 2022 reporting purposes. The FAQ will be readdressed in 2023 when published in final form.

EU Taxonomy accounting policies

Taxonomy-related disclosures has been assessed and prepared in accordance with Regulation (EU) 2020/852.

The Groups financial IFRS reporting systems, providing detailed segregated data on divisional, business unit and account level activities, have been applied as basis for assessing the Taxonomy-related disclosures in this Report. Our reporting systems have been supplemented by activity assessments of the various economic activities and investments of the Group as basis for assessing OpEx and/or CapEx KPI's and to avoid any double accounting on numerator input.

Environmental

1.1 Emissions

CO₂e Scope 1: The reporting of direct scope 1 CO₂e emissions is based on the Greenhouse Gas Protocol and covers all direct emissions from owned or controlled sources, which are natural gas, oil and diesel for stationary sources consumed in buildings owned, leased or rented by DSV, company cars and our owned and leased small fleet of trucks, vans and forklifts. Emissions from company cars are collected through our central company car fleet management system covering countries with 49% of all salaried employees, and are based on leasing mileage and emission factors from leasing companies. For countries not covered by our central car fleet management system, the emissions are extrapolated based on the proportion of FTE's out of the FTE's in countries covered by our car fleet management system. Road emissions from our own fleet are based on reported fuel consumptions from owned and leased trucks, vans and forklifts 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 diesel multiplied by emission factors from DEFRA UK database applicable per fuel type.

CO₂e Scope 2: The reporting of scope 2 CO₂e emissions is based on the Greenhouse Gas Protocol and includes the indirect GHG emissions generated from pur-

chased electricity heating, and cooling in buildings owned, leased or rented by DSV. Data on scope 2 CO₂e emissions is calculated and disclosed according to the market-based approach following the Science Based Targets principles.

CO₂e Scope 3: 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. 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, European Standard EN 16258 and the GHG Protocol, and disclosed following the "well-to-wheel" (WTW) approach for our subcontracted transport.

The calculations include CO₂e emissions from air, sea, rail carriers and road hauliers. Emissions are calculated based on DSV transport data from subcontracted transport from our main transport systems covering 90% of the total scope 3 emissions. The remaining CO₂e 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 82% of all salaried employees. For countries not covered by

travel agencies, the emissions are extrapolated based on the proportion of FTE's out of the total number of FTE's in countries covered by travel agencies.

Environmental data***	2022	2021	2020	2019	2018
CO₂e Scope 1 ('000 tonnes)					
Company cars**	16	10	13	14	–
Road emissions (own fleet)	173	101	43	37	39
Building emissions	26	24	24	23	22
Total CO₂e Scope 1	215	135	80	74	61
CO₂e Scope 2 ('000 tonnes)					
Building emissions	226	119	98	85	78
Total CO₂e Scope 2	226	119	98	85	78
CO₂e Scope 3 ('000 tonnes)					
Business travel**	5	1	1	8	–
Air transport	8,911	*8,270	6,825	4,631	3,291
Sea transport	1,786	*1,802	1,047	1,242	820
Road transport	4,586	*4,801	3,275	2,847	3,015
Rail transport**	201	*245	139	–	–
Total CO₂e Scope 3	15,489	*15,119	11,287	8,728	7,126
Total CO₂e Scope 1, 2 and 3	15,930	15,373	11,465	8,887	7,265

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

** Full five-year historical data not available.

*** The comparative information for 2018–2020 is not covered by PwC's limited assurance conclusion on [pages 44–45](#).

1.2 Energy and water consumption and waste recycling

Fuel consumption: Total consumption of fuel by DSV-owned and leased fleet of trucks, vans and forklifts.

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

Carbon intensity: Average emissions from shipments relative to freight volume and transportation distance is disclosed as grams of CO₂e per 1 tonne of freight moved 1 km.

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

Water: Total consumption of water in buildings owned, leased or rented by DSV.

Renewable energy share: Total consumption of renewable energy relative to the total energy consumption from 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.

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 of DSV locations.

Waste landfilled and recycled: Total weight of hazardous and non-hazardous waste generated by DSV properties directed to disposal or recycled during the reporting period. Waste is considered to be hazardous if it is categorised as such by local national legislation.

Environmental data***	2022	2021	2020	2019	2018
Carbon intensity (gram CO₂e per tonne transported one km)					
CO ₂ e (g/tonne-km) – Air transport	694.4	*707.4	704.0	718.2	728.0
CO ₂ e (g/tonne-km) – Sea transport	6.6	*6.5	6.2	6.4	7.0
CO ₂ e (g/tonne-km) – Road transport	97.5	*98.7	92.8	93.2	96.5
CO ₂ e (g/tonne-km) – Rail transport**	31.0	*32.5	32.7	–	–
Fuel consumption, own fleet					
Total consumption of fuel ('000 gigajoule)**	2,675	1,488	–	–	–
Proportion of HVO fuel consumed (%)**	3	4	–	–	–
Energy consumption Scope 1 & 2 ('000 gigajoule)					
Total energy consumption**	5,091	*3,224	*2,086	–	–
Water ('000 m³)					
Total water consumption – buildings	1,274	1,188	1,152	1,596	1,485

Environmental data***	2022	2021	2020	2019	2018
Renewable energy share (%)					
Renewable**	9	*10	*18	–	–
Non-renewable**	91	*90	*82	–	–
Euro engine standards (%)					
Proportion of trucks of DSV Road registered Euro 2 standard or older (own and suppliers' trucks)	0.2	0.2	0.2	0.2	0.7
Proportion of trucks of DSV Road registered Euro 3 or 4 standards (own and suppliers' trucks)	9.0	9.6	10.4	16.5	19.3
Proportion of trucks of DSV Road registered Euro 5 or 6 standards (own and suppliers' trucks)	90.8	90.2	89.4	83.3	80.0
Recycling of paper, cardboard and plastic (%)					
Proportion of locations recycling paper, cardboard, and plastic from offices, terminals and warehouses	73	71	74	74	79
Waste landfilled and recycled ('000 kg)					
Hazardous waste landfilled and/or incinerated**	652	–	–	–	–
Hazardous waste recycled**	810	–	–	–	–
Non-hazardous waste landfilled and/or incinerated**	27,540	–	–	–	–
Non-hazardous waste recycled**	25,211	–	–	–	–

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

** Full five-year historical data not available.

*** The comparative information for 2018–2020 is not covered by PwC's limited assurance conclusion on [pages 44–45](#).

Social

2.1 Employees

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

Social data***	2022	2021	2020	2019	2018
Employees (full-time workforce)					
Total	76,283	77,958	56,621	61,216	47,394
Salaried employees	38,397	40,605	29,544	32,820	23,088
Hourly workers	37,886	37,353	27,077	28,396	24,306
Gender diversity (%) (female/male)					
Gender diversity total	39/61	38/62	38/62	39/61	38/62
Gender diversity salaried employees**	49/51	49/51	51/49	51/49	–
Gender diversity hourly workers**	24/76	22/78	23/77	25/75	–
Gender diversity, management (%) (female/male)					
Gender diversity management	32/68	34/66	34/66	33/67	28/72

** Full five-year historical data not available.

*** The comparative information for 2018–2020 is not covered by PwC's limited assurance conclusion on [pages 44–45](#).

Social data***	2022	2021	2020	2019	2018
Age distribution of employees (%)					
Employees <25	10.5	9.8	8.4	9.5	8.0
Employees 25–34	29.8	29.4	29.1	29.3	30.0
Employees 35–44	29.4	30.2	30.7	30.6	29.8
Employees 45–54	19.5	20.0	20.4	19.5	20.5
Employees >54	10.8	10.6	11.4	11.1	11.7
Employee seniority (%)					
Seniority <1 year	22.0	24.0	17.0	17.7	19.4
Seniority 1–2 years	21.7	17.9	22.8	22.7	21.9
Seniority 3–5 years	19.2	20.2	19.9	19.8	17.2
Seniority 6–10 years	15.3	15.7	15.3	15.5	15.2
Seniority 11–25 years	17.6	18.3	20.3	20.0	21.4
Seniority >25 years	4.2	3.9	4.7	4.3	4.9
Collective bargaining agreements (%)					
Total**	32	28	–	–	–
Salaried employees**	23	17	–	–	–
Hourly workers**	41	40	–	–	–

2.2 Employee turnover

Employee turnover ratio: Total number of employees leaving DSV during the year, relative to the average number of employees during 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 during the year.

Social data***	2022	2021	2020	2019	2018
Employee turnover ratio (%)					
Total	26.0	24.4	32.5	23.6	20.1
Salaried employees	24.7	24.2	31.5	21.9	19.6
Hourly workers	27.5	24.6	33.6	25.3	20.6
Employee turnover ratio (%) (adjusted for synergies)					
Total	22.1	21.9	20.5	21.1	20.1
Salaried employees	18.1	19.7	11.7	17.5	19.6
Hourly workers	26.2	24.2	31.0	24.8	20.6

** Full five-year historical data not available.

*** The comparative information for 2018–2020 is not covered by PwC's limited assurance conclusion on [pages 44–45](#).

2.3 Health and Safety

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

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).

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.

Fatalities: Number of fatalities of DSV employees.

Social data***	2022	2021	2020	2019	2018
Sickness absence (days per FTE)					
Total	6.5	5.7	6.4	6.0	5.9
Salaried employees	6.4	5.4	5.8	6.0	6.6
Hourly workers	6.6	6.0	7.1	5.9	5.2
Lost Time Injury Frequency Rate (LTIFR) (per million working hours)					
Total	2.8	4.5	6.7	5.0	4.6
Salaried employees	0.5	1.0	0.8	0.9	0.5
Hourly workers	5.2	7.9	13.3	9.1	8.3
Lost workdays due to lost time injury (per million working hours)					
Total	52.0	61.0	78.8	97.5	98.0
Salaried employees	6.1	15.3	16.0	22.0	23.2
Hourly workers	98.4	105.4	148.6	173.8	164.5
Fatalities					
Fatalities in absolute numbers	3	1	0	1	0

Governance

3.1 Internal on-site audits

Internal on-site audits in DSV companies are based on a framework for review of internal controls. They are conducted during the reporting period and measured as the proportion of revenue covered through the reviews out of total consolidated revenue of the DSV Group.

3.2 Management System Certification

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

3.3 Supplier audits

Total number of supplier audits conducted during the reporting period.

3.4 Code of Conduct training

Completion rate: 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 training hours spent on CoC: Average time spent on the Code of Conduct e-learning per assigned employee****.

3.5 Whistleblower reporting

Total number of reports received in the whistleblower system by both internal employees and/or external third parties. The total number covers both substantiated and unsubstantiated cases.

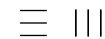
Governance and other data***	2022	2021	2020	2019	2018
Internal on-site audits (%)					
Companies audited	61	25	25	56	50
Management System Certifications (%)					
ISO 9001 (Quality)	45	32	38	61	40
ISO 45001 (Health & Safety)	31	18	22	40	19
ISO 14001 (Environment)	36	24	30	52	33
Supplier audits					
Total **	600	–	–	–	–

** Full five-year historical data not available.

*** The comparative information for 2018–2020 is not covered by PwC's limited assurance conclusion on [pages 44–45](#).

Governance and other data***	2022	2021	2020	2019	2018
Employee training on Code of Conduct, including human rights and anti-corruption policies and procedures					
Code of Conduct online training completion rate (%)**	100	100	100	100	–
Average training hours spent on Code of Conduct**	2	2	2	2	–
Whistleblower reports					
Total	84	47	41	60	23

**** Assigned employees refers to salaried employees who have been assigned the Code of Conduct course between 01-09-2021 and 31-08-2022.

**DSV A/S**

Hovedgaden 630
2640 Hedehusene
Denmark

Tel. +45 43 20 30 40
www.dsv.com
CVR no. 58 23 35 28

Sustainability Report for the year ending
31 December 2022 (46th financial year).
Published 2 February 2023.

