

Sustainability Report 2023

# Towards sustainable supply chains



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 air, sea and road.

We keep supply chains flowing – from shipper to customer – and help to deliver sustainable growth. Together with customers, industry partners and stakeholders, we strive to develop solutions that benefit both our planet and our business. We are committed giving our people 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 make supply chains leaner and more efficient. That is how we will help to shape a sustainable future.

Welcome to our Sustainability Report 2023.

---

This Sustainability Report forms part of Management's Commentary of the DSV Annual Report 2023 and covers statutory reporting on corporate social responsibility, management gender composition and diversity policies as defined by sections 99a 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 new CEO and departing CEO ..... 4

DSV at a glance ..... 6

Sustainability highlights 2023 ..... 7

## Anchoring sustainability in DSV

Keeping supply chains flowing ..... 9

Sustainability governance at DSV ..... 11

Materiality process ..... 12

Planned NEOM joint venture ..... 15

## Reducing our impact

Addressing our impact on climate change ..... 17

Progress ..... 18

Our roadmap towards net-zero carbon emissions ..... 20

Supporting our customers' decarbonisation journey ..... 24

Reducing impact across our operations ..... 25

## Our social responsibility

Who we are at DSV ..... 27

Attractive employer ..... 28

Developing workforce competencies ..... 29

Diversity and inclusion ..... 30

Human and labour rights ..... 31

Our health & safety culture ..... 32

Community engagement ..... 34

## Our integrity

Doing business with integrity ..... 36

Whistleblower setup ..... 38

## Sustainability statements and data

Management statement ..... 40

Independent limited assurance report ..... 41

Our reporting approach ..... 43

Sustainability data summary ..... 45

**WE SUPPORT**



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





Letter from our new CEO and departing CEO

# From ambition to action

Sustainability and efforts to reduce carbon emissions are central to our business strategy – and we have made progress towards these commitments in 2023.

After committing to reaching net-zero carbon emissions by 2050, we have now translated our near-term commitments into a decarbonisation roadmap. In addition to this, we have also launched a new stand-alone Human Rights Policy in 2023.

In 2023, we implemented several new initiatives to strengthen all aspects of our sustainability strategy, driving positive changes across our operations. Our commitment to sustainability continues to shape our business practices, as we work with our customers and partners and strive to make a meaningful impact on our surrounding communities. Our efforts are reflected in our sustainability ratings, and in 2023 we were happy to see that several of these improved, and that DSV ranks among the best in our industry.

### Renewed commitment

Over recent years, we continued to witness climate-related events, as record heat, droughts, forest fires and floods impacted communities across the world. Coupled with sustainability-related legislation and growing demand from stakeholders, we recognise our responsibility to play an active part in driving decarbonisation in the transport and logistics sector.

Last year, we took important steps to deliver on this responsibility. In 2022, we updated our 2030 near-term targets of reducing emissions under our direct control (scopes 1 & 2) by 50% and emissions in our supply chain (scope 3) by 30%. Our near-term targets were validated by SBTi in 2023. Under the SBTi framework, we also committed to reaching net-zero carbon emissions across our operations by 2050. These goals reflect a significant step forward for DSV in terms of embracing and strengthening our role as a global industry leader.

With only a minor part of our CO<sub>2</sub> emissions under our direct control, we understand the importance of collaboration in achieving our decarbonisation strategy, and we have worked to mobilise and partner with customers, suppliers and relevant organisations. We strongly believe in this collective approach and see it as an opportunity for DSV to be a key enabler for decarbonisation within the transport and logistics sector.

One way in which we support the green transition is with our Green Logistics services, which enable customers to decarbonise their supply chains and get closer to their CO<sub>2</sub> emissions targets. Many of our customers are at early stages of their decarbonisation journey, and our services can help them establish their own baseline and roadmaps.

### Roadmap to net zero

To deliver on our ambitions, we have developed a decarbonisation roadmap, which will guide our actions to achieve our carbon reductions targets in the coming years. Our roadmap outlines the main levers which we will implement to reach our targets. These include increasing energy efficiency, phasing out fossil fuels across all transportation modes, producing renewable energy and testing and implementing new technologies. We will work on delivering our roadmap in close partnership with customers, subcontractors and other stakeholders.

In outlining our decarbonisation roadmap, we are conscious that we operate in a dynamic industry. We depend on new, scalable technologies and our approach will need to be updated as regulation changes and other market conditions develop.

Although this year's drop in demand for air freight means that our CO<sub>2</sub> emissions have decreased significantly, we expect activity – and thus emissions – to pick up again. This means that we must continue to work hard to reduce our carbon emissions, while still growing as a company.

### Exceptional people

Something we continue to highlight whenever we get the chance is that we are a people business and that our people are key to our success. We take a keen interest in our employees' well-being and continuously seek to foster work environments where everyone can thrive. This is why we carry out our annual Global People Survey, through which we gain valuable feedback which enables us to improve our working environments. With colleagues across more than 80 countries, we are also proud of our continued efforts to ensure diversity and inclusion, which we believe are essential to developing a dynamic and innovative work environment.

As a global organisation, we must ensure that consistent human and labour rights protections are in place across all operations. This is formalised in our new standalone Human Rights Policy, which we launched in 2023 to ensure clear and high standards for our operations across the world. This policy also extends to our planned joint venture with NEOM Company, which is expected to start in 2024. The joint venture will support the

development of the NEOM region in Saudi Arabia and is an exciting project for DSV. It will be operated under the same Human Rights Policy and safe working standards that we have in place across our global network, including our existing subsidiaries in Saudi Arabia.

Maintaining high standards of health and safety across all DSV locations is also key to our operations. Through our comprehensive Health & Safety Policy, we aim to minimise risks and ensure the well-being of all employees, encouraging all colleagues to take personal responsibility for their own safety and for the safety of others.

We are also pleased to see that many colleagues are taking advantage of our leadership training programmes and our extensive e-learning programmes. In 2023, almost a million courses were completed across a wide selection of topics to help develop professional and personal competencies across DSV.

### Taking DSV forward

All in all, 2023 has been a busy year for DSV. As we have made important progress in developing our sustainability practices, this has only been possible thanks to a strong collective effort from across our organisation.

We are very pleased with the advances we have made on the sustainability agenda in 2023 and look forward to continuing to see our ambitions turn to action as we progress on our road to net zero.



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



**Jens H. Lund**  
New Group CEO, DSV A/S

# DSV at a glance

## Employees

Americas

**15,960**

22% of full-time employees (FTE)

EMEA

**46,090**

62% of full-time employees (FTE)

APAC

**11,527**

16% of full-time employees (FTE)

## Share of revenue

APAC

**17%**

DKK 26,188 million

Americas

**25%**

DKK 38,094 million

EMEA

**58%**

DKK 86,503 million



Our global network consists of approximately **75,000** dedicated employees in over **80 countries**

**3rd largest** freight forwarder in the world

**1,600** offices and logistics facilities

**DKK 150.8 billion** in annual revenue

# Sustainability highlights 2023

Achieved an average eNPS score of **34** in our **DSV Global People Survey** which is on par with global external benchmark

Implemented Carbon Pricing Fee Programme with the aim to invest **DKK 1 billion** over the next 5 years

Developed **decarbonisation roadmap**

**Validated** SBTi near-term targets: By 2030 reduce scopes 1 and 2 absolute emissions **by 50%** and scope 3 absolute emissions **by 30%**

Entered into a strategic partnership with **UNICEF**

Completed **755 supplier audits in 2023**

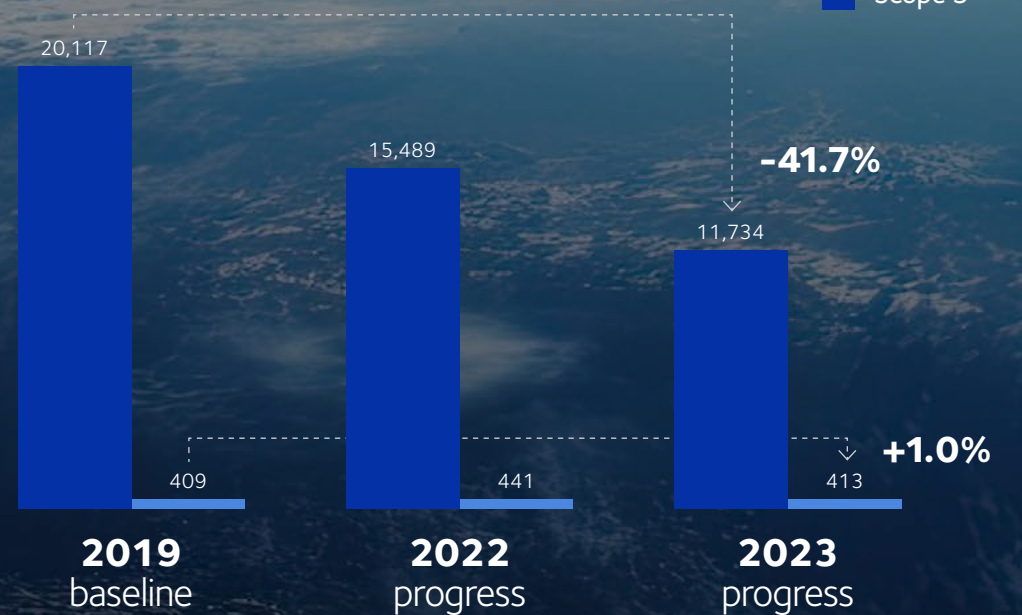
New **Human Rights Policy** launched

**Sustainability Impact Map** launched showcasing our local and global sustainability initiatives

**100% completion** of the Code of Conduct course

## Decarbonisation progress

SBTi target boundary (CO<sub>2</sub>e - '000 tonnes)





# Anchoring sustainability in DSV

We keep global supply chains flowing in a world of change. With our deep freight forwarding expertise and extensive network, we design transport and logistics solutions for our customers to help them succeed and create value.

## About DSV

DSV was founded in Denmark in 1976. Today, our activities are divided into three divisions: DSV Air & Sea, DSV Road, and DSV Solutions.

We ship freight by land, sea and air. We provide and manage end-to-end supply chain solutions for thousands of companies every day. With approximately 75,000 employees in more than 80 countries, DSV is among the world's largest freight forwarding companies. We offer our customers a full range of freight forwarding, logistics and distribution services and we are proud to play an important part in keeping global supply chains flowing.

We are dedicated to supporting our customers' growth while remaining mindful of the environmental impact of our services. We continuously monitor market trends and technology developments to establish new services that harness the benefits of global scale for our customers.

We are a global business, yet always close to local markets through our close collaboration with local partners and our highly skilled workforce. Our automated and efficient warehouses, highly digitalised workflows and advanced IT systems offer a strong combination of services to our customers.



# Keeping supply chains flowing

## Business model

DSV operates an asset-light business model. This means that we do not own or operate transport equipment but meet our customers' transport demands via external partners. We work with a global network of container carriers, airlines, road hauliers and railway operators. As one of the largest global freight forwarders, we – and our customers – benefit from strong and long-standing relationships with our partners.

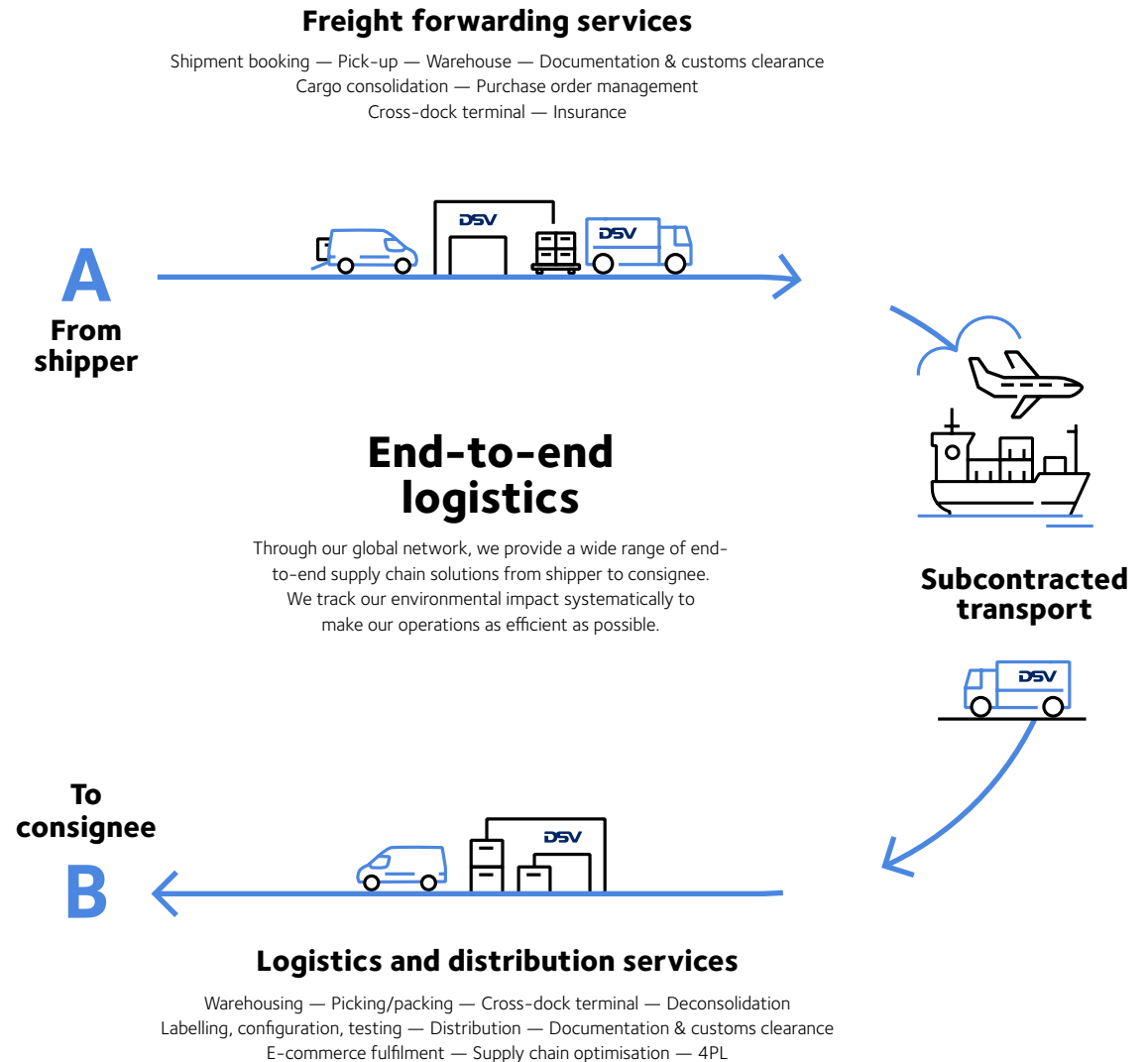
The asset-light model allows us to keep supply chains flowing efficiently, allowing us to scale our activities and quickly shift transport modes and lanes to accommodate changes in customer demand or local operating conditions. It enables us to provide the optimal transport and logistics solutions tailored to meet our customers' requirements by selecting the best partners, based on capacity, sustainability, transit time and price.

We provide our customers with a full range of freight forwarding, logistics and distribution services to support their end-to-end supply chain requirements.

DSV Air & Sea offers alternative routings and flexible schedules to suit even the most demanding logistical requirements to and from all parts of the world. We handle more than 2.5 million TEUs of sea freight and 1.3 million metric tonnes of air freight every year.

DSV Road is one of the leading road freight operators in Europe and has activities in the Middle East, North America and Africa. Every year, our Road division handles more than 30 million shipments.

DSV Solutions designs and delivers contract logistics services, adding value for our customers by increasing operational and cost efficiency. We operate hundreds of logistics facilities comprising a total of more than 9.0 million m<sup>2</sup>.



### Our strategy

Our purpose and overall strategy remain unchanged. We continue to pursue organic growth complemented by acquisitions to further strengthen our market position. In 2023, we have strengthened our global network and taken the first steps towards an even more customer centric approach.

#### *Keeping supply chains flowing*

Our strategy is anchored in our corporate purpose of keeping supply chains flowing in a world of change, acknowledging our role as part of the global infrastructure enabling world trade.

As one of the world's leading freight forwarders, we move millions of shipments across oceans and continents, earning the trust of our customers and partners by ensuring smooth and efficient storage and distribution of goods, by air, sea, road and rail.

#### *Enabling sustainable growth through operational excellence*

Our organic growth target remains unchanged: we pursue profitable above-market growth, and we aim to gain market share across our three divisions and the markets we operate in.

As our global organisation becomes larger, our foundation will always be operational excellence. We achieve this by creating efficient and sustainable global trade flows for our customers. And by combining the talent of our strong workforce with scalable physical and digital infrastructure, facilitating efficient workflows.

#### *Leveraging on our global network*

The successful integrations of UTi Worldwide, Panalpina Welttransport and Agility's Global Integrated Logistics have turned us into a top three global player in our industry with a worldwide geographical footprint and more advanced and competitive service offerings to our customers.

Being a global corporation, we leverage our extensive scale, optimising efficiency, reducing costs and enhancing the overall supply chain performance for our customers.

#### *Customer centricity*

We continuously advance our industry expertise and digital solutions to strengthen our customers' experience. This enables us to better understand our customers' pain-points and proactively address topics like supply chain optimisation and sustainability.

We have also strengthened our value proposition to meet our evolving customer needs, expanding our control towers and centres of excellence with industry-specific capabilities. This enables us to offer tailored solutions and one point of contact across our divisions.

#### *Acquisition strategy to complement organic growth*

We monitor the market for relevant, value-creating acquisitions, as we believe there is room for further consolidation within the fragmented transport and logistics industry. We target both large freight forwarding companies and smaller companies with specific logistics competences.

In April 2023, we acquired the US-based transport and logistics companies S&M Moving Systems West and Global Diversity Logistics, strengthening our position within the semiconductor industry.

#### *People is our DNA*

Approximately 75,000 employees worldwide – from office workers to warehouse operatives – are the heart of our business and pivotal for the long-term success of our company.

We maintain a flat, locally empowered organisation with a high degree of ownership and P&L accountability. Representing more than 150 nationalities in more than 80 countries, we focus on providing a safe, healthy and nurturing workplace with an inclusive culture, where everyone is provided with the right digital tools, training and conditions to grow and develop their talent.

#### *Digitalisation is a driving force*

Technology and digitalisation are paramount in achieving transparency, productivity and scalability in our business and have always been a key catalyst for DSV. We continuously monitor the latest trends and adopt

new technologies that benefit our business and our customers.

To support our growth strategy, both our physical and digital infrastructure must be scalable. Working according to the principle of one main system per business area, we run a consolidated, standardised and scalable IT platform with a focus on data quality and security.

#### *Driving decarbonisation in logistics*

We are committed to ensuring responsible and sustainable business practices everywhere we operate. Together with customers, industry partners and stakeholders, we strive to develop solutions that benefit both our planet and our business.

#### *Fitter for the future*

Based on the strong foundation we have today, our ambitions for the coming years revolve around our three strategic focus areas: strengthening our global network, customer centricity and M&A.

Through several strategic initiatives, we aim to strengthen our market position, enhance our logistics and digital capabilities and continue to work on the sustainability agenda. All with the ultimate ambition of creating value for all of DSV's stakeholders.

For more information, see our **Annual Report** at:

<https://www.dsv.com/en/annual-reports>



# Sustainability governance at DSV

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

The Board of Directors is responsible for setting the direction for our sustainability agenda. It shapes our strategy and determines the targets in close alignment with the Executive Board.

Our Audit Committee monitors and implements relevant policies, procedures and the performance of our sustainability activities. The Audit Committee also supervises the regulatory requirements, sustainability reporting, and risk and control frameworks, monitoring appropriate compliance within all areas of our business operations.

The Sustainability Board consists of the Executive Board and other relevant management representatives and is chaired by our Group CEO. Its role is to support the strategic work carried out by the Board of Directors and Executive Board within sustainability. The Board also facilitates our materiality analysis, sets the direction for our activities and determines and monitors the performance of our targets.

Sustainability performance targets are included as part of the variable remuneration of Executive Management to support DSV’s focus on sustainability progress.

Sustainability is embedded at all levels of DSV. The Group functions are responsible for the day-to-day coordination of our sustainability strategy and ensuring compliance. Group functions are also the link between local operations and our management, ensuring alignment across the company.

Our local operational sustainability teams are embedded within divisional and country management. They are supported by a global network of Sustainability Ambassadors as well as Quality, Health & Safety and Environment (QHSE) specialists and other employees with sustainability-related responsibilities.

## Committed to progress

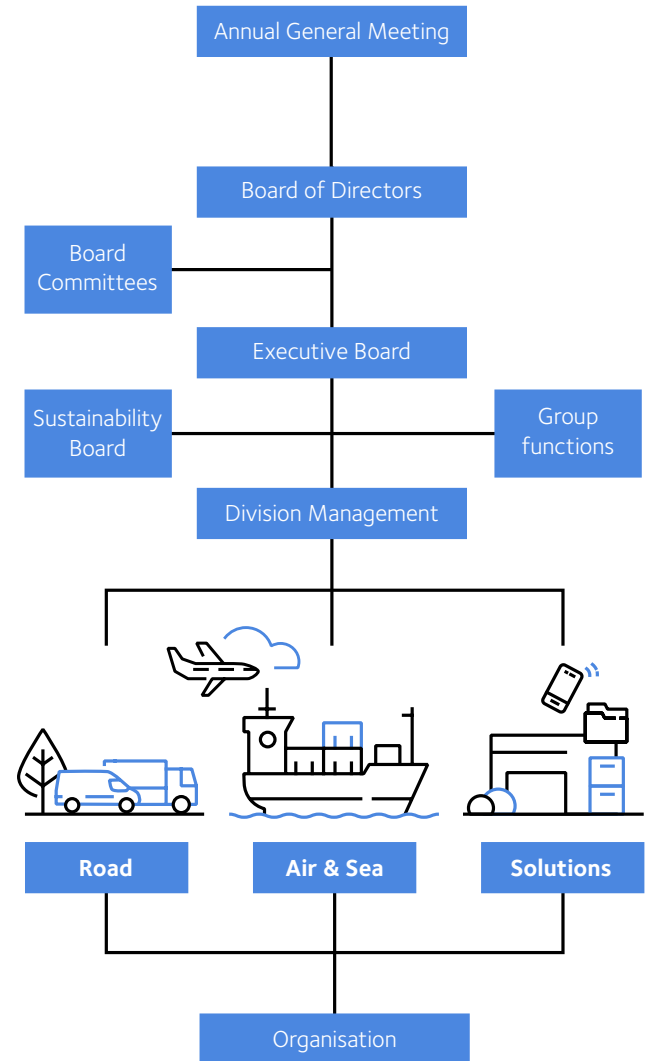
As a UN Global Compact signatory, DSV is committed to aligning our business model with responsible and sustainable practices. At the same time, we have supported the UN’s Sustainable Development Goals since 2015, focusing on SDGs 7, 8, 10, 12, 13, 16, and 17.

We monitor and assess sustainability performance quarterly and report our progress to stakeholders annually in our sustainability report and the UN Global Compact platform.

We work closely with several external rating agencies to ensure transparency when disclosing our strategy and performance to stakeholders. These efforts have been recognised in 2023, and we were pleased to see several rating agencies upgrade their assessment of our sustainability performance, which is reflected in our lower risk ratings.

For more information, see our:

- Sustainability ratings:**  
<https://www.dsv.com/en/our-reporting>
- Report on Corporate Governance:**  
<https://www.dsv.com/en/governance-reports>
- Remuneration Report:**  
<https://www.dsv.com/en/remuneration-reports>
- Tax Report:**  
<https://www.dsv.com/en/tax-reports>
- Report on Data Ethics Policies:**  
<https://www.dsv.com/en/data-ethics-reports>
- Cyber security:**  
<https://www.dsv.com/en/our-integrity>



# Materiality process

Understanding how our business impacts the world and vice versa is essential to ensuring that our sustainability strategy continues to address our most material topics. These are re-evaluated every year through a structured materiality process and taking into consideration a number of components. It ensures that our material impacts, risks and opportunities are prioritised and reflected in our strategy.

## *How we conduct our materiality assessments*

Our materiality assessment is based on internal due diligence processes, including risk assessments, stakeholder engagement as well as several tools

and frameworks such as GRI, UN SDGs, SASB Materiality Map, S&P Global CSA and the European Sustainability Reporting Standards (ESRS).

We supplement our findings with a variety of external sources, including media mentions, academic research, peer group analyses and reviews of the logistics industry.

## *Outcome*

This year's materiality process confirmed our material topics and did not give rise to any changes in our sustainability strategy. New trends were observed in the assessment that we will continue to observe in the coming years. The final result is reviewed and approved by the Sustainability Board and Board of Directors.

## **Stakeholders**

At DSV, we have many stakeholders on whom we depend to achieve our long-term objectives. It is important that we understand their interests and expectations, which are at the heart of developing our business and sustainability strategies.

Engaging with our stakeholders or stakeholder representatives is a key aspect of our materiality assessment. We have several processes in place to ensure that stakeholder input is systematically gathered and used to enhance the assessment and selection of our sustainability priorities.

Major stakeholders	Description	Engagement channels
<b>Customers</b>	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 and understand our customers' position on sustainability matters.	Ongoing business dialogue with customers is anchored across the organisation from country and divisional involvement to the Executive Board, commercial sustainability dialogue, customer interviews and customers' perception of services through the Net Promoter Score setup.
<b>Investors and rating agencies</b>	We engage in active dialogue with investors on sustainability topics. We usually participate in more than 400 investor meetings annually, we participate at relevant conferences and we host Capital Markets Day, where we present our vision and ideas on sustainable logistics to the investor community.	Conference calls, group meetings and one-to-one meetings, investor surveys, sustainability roadshows and DSV Capital Markets Day.
<b>Employees</b>	Across our organisation, we encourage an open and honest dialogue on all relevant topics. We ask our employees to give their perspectives on several issues through our global employee engagement survey, which was launched in 2022 and is conducted on a yearly basis. The results are used to strengthen our social responsibility and address issues central to our employees.	DSV Global People Survey, whistleblower setup and ongoing dialogue between employee and manager.
<b>Authorities</b>	Maintaining compliance across our operations is vital to our license to operate. We maintain a regular and transparent dialogue with tax and other public authorities to ensure compliance. In return, this provides us with vital input on societal and regulatory requirements.	Public information and bilateral engagement with national and international authorities.
<b>Suppliers</b>	As a freight forwarder with no direct ownership or operational control of the majority of the freight carrying equipment, engaging with our suppliers (freight carriers) is essential for a more responsible supply chain.	Dialogue with suppliers is anchored across the organisation, from divisional involvement to Executive Management.



### Climate risk and opportunity assessment

As one of the biggest freight forwarding companies in the world, DSV is part of an industry which has a negative impact on the climate. As part of our environmental management system, we assess, monitor and manage our emissions and associated risks and opportunities. Climate-related financial risks are identified, assessed and managed guided by the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD). Present climate risks are assessed and managed as part of DSV's Enterprise Risk Management framework. Long-term risks are assessed separately and managed in relevant business lines.

No new climate risks or opportunities were identified as part of the assessment.

#### Assessing climate risk

DSV uses a combination of several scenarios to anticipate the potential future effects of climate change and identify potential risks and opportunities. This methodology is supported by focused climate risk assessments for significant locations. The 1.5 °C and high emission scenarios are always included in the risk assessment.

To assess risks, DSV relies on a combination of historical data such as financial impact from past weather or market-disruption events and future projections. These future projections include findings from the Intergovernmental Panel for Climate Change (IPCC) Sixth Assessment Report and the International Energy Agency (IEA). DSV considers failure to mitigate any business risks as reputational risks.

Risk/opportunity	Description	Exposure
<b>R1:</b> Physical risk: Rising temperatures	With current global efforts on climate change mitigation and adaptation, the world is heading towards a high-emission scenario. This entails medium- to long-term global risks such as rising sea level, flooding, heat stress, wildfires, droughts and storms.	DSV relies on an asset-light business model, whereby we do not own transportation assets. This limits the extent of our exposure to physical climate risks. The biggest physical risks are the health and safety of employees working at our terminals and warehouses as well as supply chain disruptions.
<b>R2:</b> Policy risks	With increased pressure from the public, lawmakers from around the world are increasingly pushing companies to make 'greener' choices by means such as carbon pricing imposing regulation on companies to set decarbonisation targets and to report on progress. Additionally, regulatory framework conditions, such as renewable energy production and charging infrastructure, impact DSV's possibility to reach carbon reduction targets.	DSV is closely monitoring developments in the global and local regulatory landscape. DSV has committed to net zero by 2050, as have many of our business partners. Stricter regulations are expected to impact freight pricing. However, DSV does not expect this to have a material EBIT impact, as any additional cost incurred will be distributed across the value chain.
<b>R3:</b> Technology risks	For net zero to be achieved, action is needed from both the private and public sectors. This also requires investing in new and untested technology. Technology risks relate to DSV's ability to successfully identify, invest in and implement the technologies necessary to reach our carbon reduction targets, including net zero. The global transition of the transportation sector to fossil-free technologies by 2050 will require major investments and development, and scaling up of new technologies that are not currently commercially available.	DSV continuously monitors technological trends, including the development and maturity of low-carbon and renewable energy solutions in transport and logistics. The specific technology pathways and investment decisions for Road, Air & Sea and Solutions are part of DSV's decarbonisation roadmap, which will be adjusted when new technological opportunities arise.
<b>R4:</b> Commercial risks	More governments and companies worldwide have set decarbonisation targets, thereby increasing pressure on DSV to deliver carbon reductions in customers' supply chains. If DSV cannot deliver alternatives to customers, it could eventually mean reduced demand for our services.	DSV is focused on meeting customer demands and mitigates this risk by setting SBTi-aligned targets, committing to net zero and making new low-carbon product offerings available. Our asset-light model means that as demand for more sustainable logistics services becomes more commonplace, we will be able to meet the demand without depending on material investments in new assets. The majority of investments in physical infrastructure will take place by suppliers.
<b>O1:</b> DSV as a key enabler for decarbonisation and sustainable growth	While DSV faces several risks, climate change may also provide opportunities for DSV. This may especially be the case in a low-emissions scenario, where the world is taking necessary steps to reduce warming to 1.5 °C. In such a scenario, climate leaders in each economic sector will likely outperform companies that are not aligning their business model, products and services to support a max 1.5 °C global warming scenario.	Currently, the world is not on the path to meeting the Paris Agreement. However, DSV is prepared for any future scenario. Demand for low-emission logistics services is expected to increase in the coming years. DSV's ability to continue to meet customer demands is essential to remaining an enabler for sustainable growth and maintaining our license to operate.

### Our sustainability strategy addresses our material topics

The materiality process serves as the foundation for our sustainability strategy. This process and the outcome are reevaluated annually to ensure the latest sustainability developments are captured within our strategy.

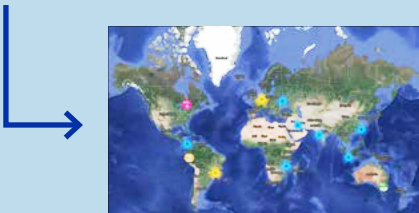
The strategy, our priorities, targets and our most material topics are illustrated in the adjacent chart.

Our Sustainability Policy outlines our commitments and details our approach to environment, social and governance. Our sustainability policy is supported by a number of stand-alone policies that specify our approach, ambitions and standards. Our policies can be found at <https://www.dsv.com/en/policies>.

#### DSV Sustainability Impact Map

In 2023, we developed an interactive Sustainability Impact Map which provides an overview of our sustainability initiatives across our global operations.

**DSV Sustainability Impact Map**  
 Explore our impact map to discover local sustainability initiatives across DSV at:  
<https://www.dsv.com/en/sustainability-impact-map>



## Sustainability strategy

	Environment	Social	Governance
<b>Sustainability priorities</b>	<p><b>Reducing our impact</b>                      We act as a key enabler for decarbonisation across our value chain with the aim of reducing transport and logistics emissions.</p> <p>We are committed to reducing the environmental impact throughout our operations.</p>	<p><b>Caring for our employees</b>                      We strive to be a safe and inclusive place to work. We work hard to attract and keep talent by giving employees responsibility and growth opportunities. We want to promote diversity, protect rights and improve our employees' well-being.</p> <p><b>Engaging with communities</b>                      We work with local communities across the globe. We respond to local needs, challenges and emergencies everywhere we do business.</p>	<p><b>Doing business with integrity</b>                      We operate with honesty and transparency and pay taxes where we generate our profits. We handle data ethically with appropriate safeguards around data privacy.</p> <p><b>Running a responsible supply chain</b>                      We make sure our suppliers meet our standards and understand our sustainability goals.</p>
<b>Material topics</b>	<ul style="list-style-type: none"> <li>• Climate change</li> <li>• Waste management and recycling</li> </ul>	<ul style="list-style-type: none"> <li>• Diversity and inclusion</li> <li>• Human capital development</li> <li>• Health and safety</li> <li>• Labour rights &amp; working conditions</li> <li>• Human rights</li> <li>• Community engagement</li> </ul>	<ul style="list-style-type: none"> <li>• Business integrity</li> <li>• Responsible supply chain</li> <li>• Tax transparency</li> <li>• Data ethics and cybersecurity</li> </ul>
<b>Highlighted targets</b>	<p><b>2024</b>                      Total percentage of recycled waste – 53%.</p> <p>4% reduction of total CO<sub>2</sub> emissions in scopes 1 and 2.</p> <p><b>2030</b>                      Reduce scopes 1 and 2 absolute emissions by 50% and scope 3* absolute emissions by 30% (2019 baseline).</p>	<p><b>2024</b>                      Number of fatalities must not exceed 0.</p> <p>Lost Time Injury Frequency Rate (LTIFR) must not exceed 3.5 per million working hours.</p> <p>An eNPS score in our global engagement survey that is at or above the global benchmark.</p> <p>Increase the percentage of female leaders on director level and above.</p>	<p><b>2024</b>                      Ensure that all salaried employees receive training on DSV's Code of Conduct every 24 months.</p> <p>Perform 1,000 supplier audits.</p>

\* Scope 3 covers transportation and business travel. Target boundary includes land-related emissions and removals from bioenergy feedstocks.

# Planned NEOM joint venture

In October 2023, NEOM Company and DSV announced an exclusive logistics joint venture to provide logistics services for the projects in the NEOM region. We expect that the joint venture will start operations in the second quarter of 2024.

## About the partnership

The planned joint venture will provide end-to-end supply chain management, development and investments in transport and logistics assets and infrastructure as well as transport and delivery of goods and materials to and within NEOM.

The activities will include construction logistics, end state logistics, development of logistics properties, management and back-office services, based on DSV's infrastructure. NEOM envisions unparalleled demand for construction logistics through to 2031, with sustained growth in non-construction logistics thereafter.

Besides the logistics activities within the joint venture, the partnership is expected to create attractive growth opportunities for DSV's global network.

NEOM will hold 51% of the joint venture with DSV holding the remaining 49%. DSV's maximum funding commitment amounts to USD 2.45 billion of the total commitment of the joint venture partners of USD 5 billion until 31 December 2031.

## Due diligence

DSV's business development is firmly embedded in an active acquisition strategy. Over the years, we have acquired several companies, and a thorough sustainability due diligence review is always performed as part of the process.

The sustainability due diligence in designing the structure of the joint venture focused on several elements, including human rights factors.

The joint venture will be subject to all DSV's human rights standards and procedures as established in DSV's Code of Conduct, Supplier Code of Conduct, Human Rights Policy and Human Rights Programme and whistleblower setup.

Our audit framework is in place to ensure that our human rights standards are adequately covered. This will apply to the operations and suppliers of the joint venture to ensure that the standards we set are maintained within our operations and supply chain.

## Governance setup

At DSV, we believe that human rights are fundamental and should be protected at all times. Our commitment to human rights is integrated in our activities across the globe, and the planned joint venture is no exception.

The joint venture is expected to create more than 20,000 job opportunities and will be governed based on DSV's policies and values. This includes our Code of Conduct, Supplier Code of Conduct and Human Rights Policy. DSV will be responsible for the daily operations and appoint the managing director of the joint venture.

DSV has been operating in Saudi Arabia for 20 years, and our existing global reporting and internal control setup will also be applied to the joint venture. Furthermore, internal and external audits will be conducted throughout the duration of the project.

## Timeline

Completion of the joint venture is pending incorporation of the entity and issuance of relevant public operating licenses in Saudi Arabia, which are expected to be obtained in the second quarter of 2024.

In 2031 and every five years hereafter, the parties will update and agree on the business plan for the joint venture. The exclusivity of the joint venture expires in 2055, but the partnership is expected to continue.

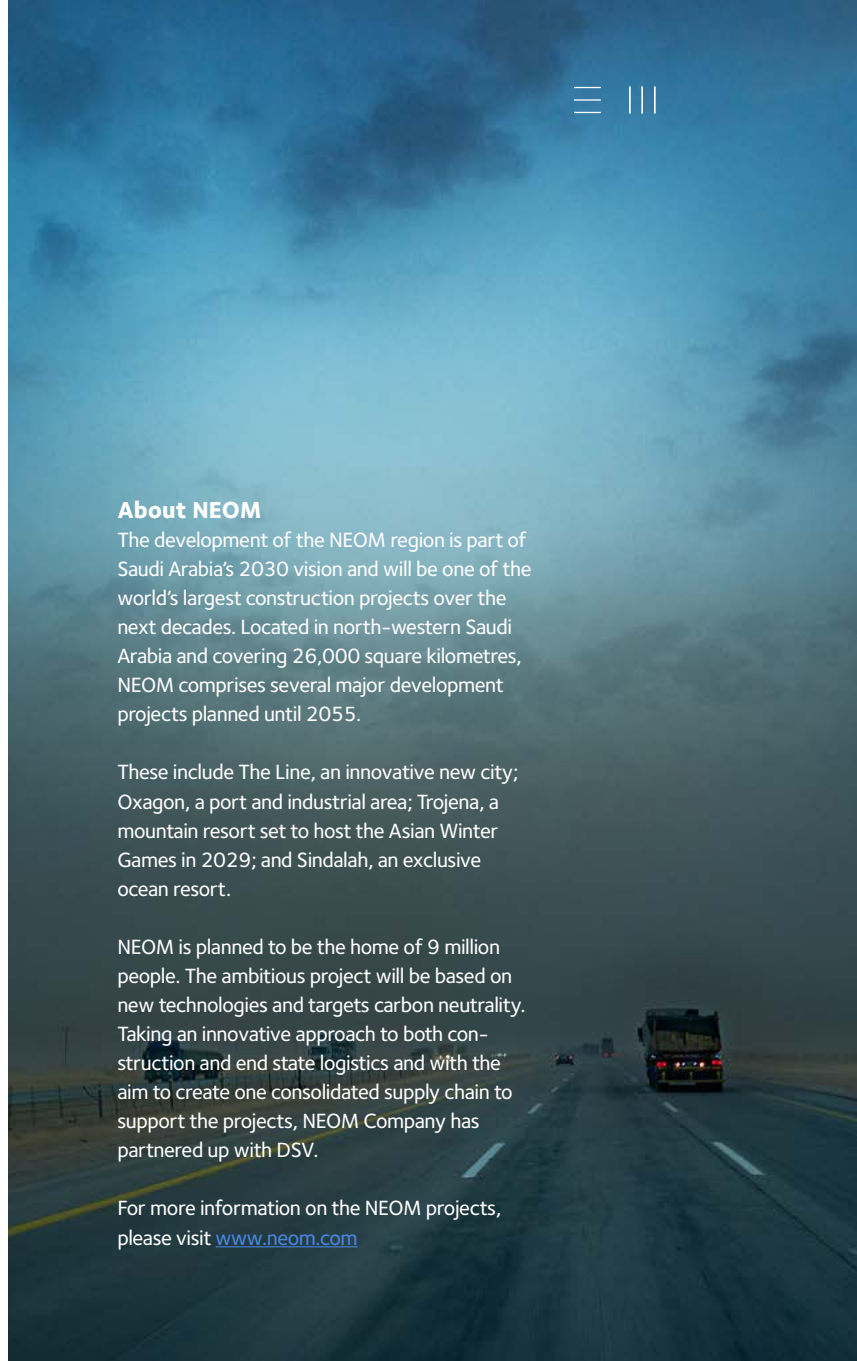
## About NEOM

The development of the NEOM region is part of Saudi Arabia's 2030 vision and will be one of the world's largest construction projects over the next decades. Located in north-western Saudi Arabia and covering 26,000 square kilometres, NEOM comprises several major development projects planned until 2055.

These include The Line, an innovative new city; Oxagon, a port and industrial area; Trojena, a mountain resort set to host the Asian Winter Games in 2029; and Sindalah, an exclusive ocean resort.

NEOM is planned to be the home of 9 million people. The ambitious project will be based on new technologies and targets carbon neutrality. Taking an innovative approach to both construction and end state logistics and with the aim to create one consolidated supply chain to support the projects, NEOM Company has partnered up with DSV.

For more information on the NEOM projects, please visit [www.neom.com](http://www.neom.com)



# Reducing our impact

At DSV, we are committed to reducing our impact on the environment throughout our operations. As a leading global freight forwarder, we recognise our responsibility to play an active part in addressing climate change and engaging across our value chain to enable decarbonisation in the transport and logistics sector.

## Our priorities

### Reducing our impact

We act as a key enabler for decarbonisation across our value chain with the aim of reducing transport and logistics emissions.

We are committed to reducing the environmental impact throughout our operations.



## Targets 2023

- Continue with current carbon 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

## Status 2023

- SBTi validated near-term carbon reduction target and developed roadmap
- Launched new product and trained commercial organisation in Green Logistics products
- Invested in several zero emission vehicle technology projects (hydrogen fuel cell, battery electric)
- New Waste Management Policy and target launched

## Targets 2024

- Total percentage of recycled waste – 53%
- 4% reduction of total CO<sub>2</sub> emissions in scopes 1 and 2



# Addressing our impact on climate change

Climate change mitigation and transitioning away from fossil fuels remain the key environmental challenges for the transportation industry and DSV.

As one of the world's largest freight forwarders, our size, industry expertise and global scale of operations mean that we are in a unique position when it comes to addressing the decarbonisation challenges faced by the transportation industry from a demand and supply perspective. We remain firmly committed to playing an important role in enabling the changes necessary to reach net-zero emissions in our industry as well as in our own business.

## Our carbon footprint and targets

As DSV operates an asset-light business model and subcontracts our transport services to third parties, most of our emissions are indirect transportation emissions accounted for in scope 3. In 2023, 97% of DSV's total emissions were in scope 3 and 3% under our direct control through scopes 1 and 2. Subcontracted transport emissions account for 93% of DSV's total CO<sub>2</sub> emissions.

In 2022, we updated our carbon reduction strategy. We committed to reaching net-zero emissions across all scopes by 2050 and set new targets aligned with the Paris Agreement.

Our 2030 near-term target requires us to reduce the emissions under our direct control (scopes 1 and 2) by 50% and scope 3 emissions by 30% compared to a 2019 baseline.

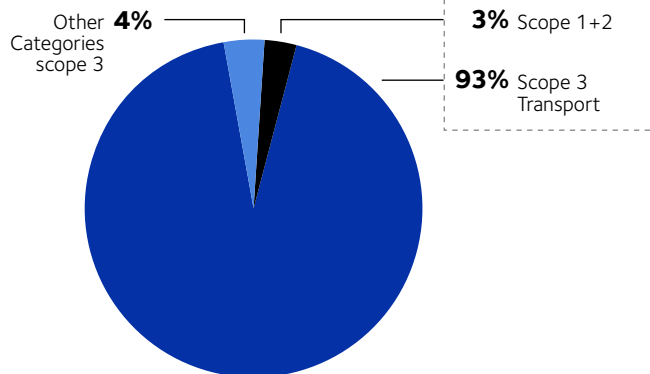
Our targets and accounting principles are developed in line with the Science Based Target Initiative (SBTi) framework. Our baseline includes all acquired companies since 2019. This enables us to track our progress regardless of when DSV took ownership of the acquired companies.

The scopes 1 and 2 ambitions are aligned with a 1.5°C global warming scenario, while our scope 3 targets are aligned to a well-below 2°C warming scenario.

Our scope 3 SBTi target boundary is based on the transport emissions and business travel emissions categories. In 2023, we added 'other categories' to our disclosure to increase transparency on our total greenhouse gas (GHG) emission inventory. The emission categories are immaterial compared to our total scope 3 emissions.

In 2023, SBTi validated our near-term (2030) carbon reduction target.

## Full greenhouse gas emissions inventory



## Our journey towards net zero

### Near-term targets

By 2030 reduce scopes 1 and 2 absolute emissions by 50% and scope 3 absolute emissions by 30% (2019 baseline). Validated by SBTi.

### Long-term commitment

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

# Progress

## Carbon emission performance 2023

Carbon emissions decreased across all scopes in 2023 compared to last year. The primary driver is a reduced demand for air, sea and land transport in line with the global economic slowdown that started in the second half of 2022.

Compared to the baseline, our scope 3 target boundary emissions in 2023 were reduced by 41.7% and, as such, our scope 3 emissions reached a level below our 2030 target. However, as we expect freight demand to increase again in the coming years, we continue our efforts to reduce emissions in all scopes, thus we will continue with our current target.

## Changes in carbon accounting

In 2023, we began the adaptation of the new ISO 14083:2023 carbon accounting methodology which impacts our scope 3 transportation emissions.

Applying the methodology to DSV's 2023 emissions infers an increase in reported carbon intensity for sea and, conversely, a reduction for air carbon intensity. This is because the methodology applies the most recent emission factors for transportation fuels based on updated life cycle assessments (LCAs).

## Scope 1 and 2 emission development

In 2023, DSV's direct emissions in scopes 1 and 2 decreased by 6.3% compared to 2022. Our direct emissions are generated from company cars, buildings and our own truck fleet and mobile equipment. Our scope

1 emissions increased by 2.3%, largely due to a growing number of trucks and mobile equipment. Our scope 2 emissions, in contrast, dropped significantly by 14.6%. This is driven by reductions in our energy consumption and a higher share of renewable electricity.

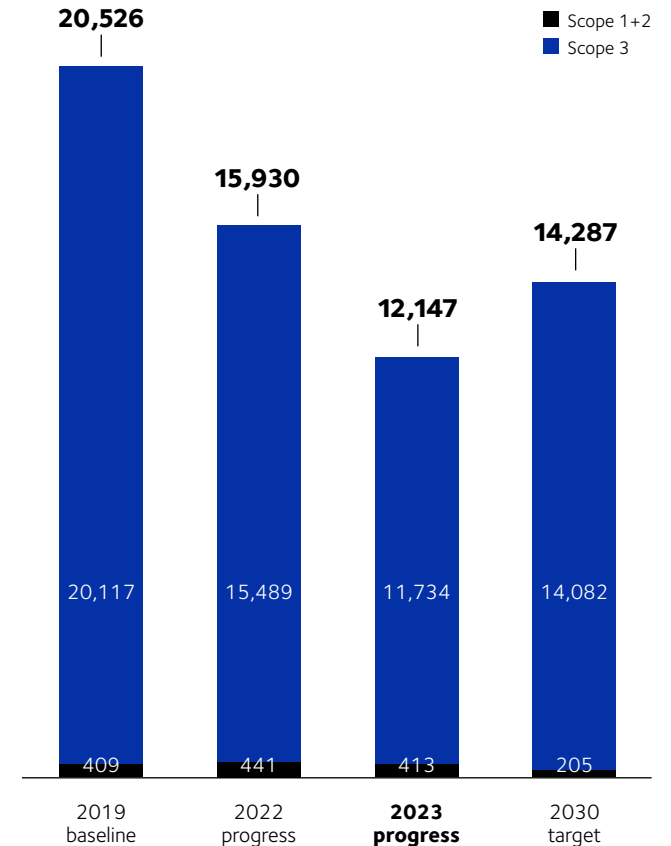
Compared to our 2019 baseline, scope 1 and 2 emissions have increased by 1.0%, primarily driven by an increase of emissions from own trucks and mobile equipment, which has grown by 22.8%. Conversely, our scope 2 emissions have decreased by 10.2% driven by the growth of renewable electricity.

As DSV is growing, we are adding more physical infrastructure as well as more heated and cooled square meters into our business, causing our overall energy consumption to increase. However, we are now seeing the impact of our decarbonisation strategy, as energy consumption is growing at a slower rate than previously when new square metres are added. This means that we have decoupled the growth of the physical footprint of our buildings from their associated CO<sub>2</sub> emissions. This is the result of among other our ambitious energy efficiency requirements for new buildings and our ongoing strategy of supplying our new buildings with onsite electricity production from solar panels (PV) to cover the full electricity demand of the buildings.

Finally, many countries purchased electricity with reduced carbon intensity as renewable energy is increasingly finding its way into the energy supply. In 2023, the share of renewable electricity reached 29%, and the overall share of renewable energy in scopes 1 and 2 reached 11%, which is an increase of 2 percentage points from 2022.

## Carbon emission development

SBTi target boundary (CO<sub>2</sub>e - '000 tonnes)



### Scope 3 (SBTi target boundary) emission development

#### Business travel

In 2023, DSV introduced a Sustainable Aviation Fuel (SAF) programme to cover all business travel. The aim of this initiative is to reduce business travel emissions as much as current SAF production technology allows. This programme enabled us to reduce business travel emissions by 93%, as SAF currently has a small share of residual emissions due to the production process. DSV has decided to purchase additional volumes of SAF as carbon credits to cover the remaining 7% of our business travel emissions in 2023, essentially making it climate neutral. This solution has enabled DSV to focus our climate reduction contributions within the aviation sector by raising the demand for SAF and sending a signal for SAF producers to increase production.

#### Transport emissions

CO<sub>2</sub> emissions from DSV subcontracted transport declined by 24.2% in 2023 compared to 2022. The main driver was reduced freight demand across our air, sea and land transport modes.

Compared to our 2019 baseline, scope 3 transport emissions have decreased by 41.6%, primarily driven by a decline in air-freight volumes (tonne-kilometres) of 43.2%. As such, our 2023 scope 3 target of 30% reduction has been reached. However, we do expect volumes to pick up and increase towards 2030. Therefore, continuing with our decarbonisation efforts is necessary to reach our 2030 and 2050 reduction targets.

#### Air transportation

Air freight remains our largest source of emissions, accounting for half of the total emissions from subcontracted transportation. Total emissions from air freight decreased by 34.0% in 2023 compared to 2022, followed by a 26.9% decline in tonne-kilometres. This is a result of reduced global demand for air freight, improved carbon intensity and shifts from air to sea freight transport mode.

**9.6%**  
decrease in air  
carbon intensity  
in 2023 com-  
pared to 2022

Sea and land  
carbon intensity  
increased  
by **6.1%**  
and **5.5%**,  
respectively,  
in 2023 com-  
pared to 2022

Carbon intensity for our air transportation fell by 9.6% in 2023 compared to 2022. The reduction in carbon intensity is due to this year's update of ISO 14083 calculation standard for CO<sub>2</sub> emissions in transportation, which generates more accurate calculations. The reduction is also impacted by better operational performance as newer and more fuel-efficient aircrafts take up a larger share of our carriers' aircraft fleets.

Air freight CO<sub>2</sub> emission performance against our 2019 baseline has more than halved, showing a 51.8% reduction. This is driven primarily by a decline in tonne-kilometres volumes of 43.2%, but increased use of more fuel-efficient aircrafts as well as designated freighter aircraft contributing to an approximately 8% decrease.

#### Sea transportation

Sea freight is the most carbon efficient of our transportation modes. Despite being the largest in terms of volume of tonne-kilometres, sea freight makes up only 12.7% of our total scope 3 transport emissions. Total sea freight CO<sub>2</sub> emissions fell by 16.3% in 2023 compared to 2022, mainly driven by a 21.2% decrease in tonne-kilometre volumes.

Carbon intensity increased by 6.1% in 2023 compared to 2022 among other due to the new ISO 14083 methodology and improved route tracking.

Total carbon emissions from subcontracted sea transport have decreased by 44.2% compared to our 2019 baseline. This is primarily the result of a reduction in tonne-kilometre volumes of 50.5% and a general increase in carbon intensity in recent years due to the updated ISO 14083 carbon calculation methodology and sea routing information.

#### Land transport

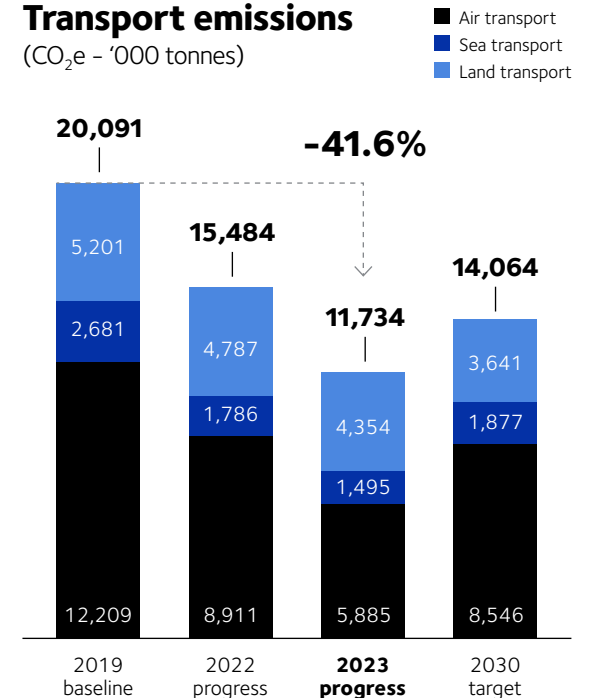
Emissions from land transport constitute 37.1% of our total scope 3 transport emissions, making it second in terms of

carbon footprint and total tonne-kilometre volumes. Carbon emissions declined by 9.0% compared to 2022, due to the reduction in freight volumes. The carbon intensity of land transportation increased by 5.5% in 2023 compared to 2022, in part due to the methodology updates.

The tonne-kilometre volumes for land freight declined by 16.8%, and the corresponding carbon emissions declined by 16.3% compared to the 2019 baseline. This is driven by lower volumes and less pre- and post-carriage performed by our subcontracted hauliers due to the decline in air and sea freight.

### Transport emissions

(CO<sub>2</sub>e - '000 tonnes)



# Our roadmap towards net-zero carbon emissions

In 2023, we developed a roadmap to support our decarbonisation strategy and ensure that we are on track to reach the updated carbon reduction targets we announced in 2022.

The roadmap addresses four key decarbonisation levers that are critical for our ability to reach our targets across all divisions. For each key decarbonisation lever, strategic themes, initiatives and milestones are developed. The roadmap and the key levers will be assessed and updated continuously to reflect the latest technologies, knowledge and developments.

With separate tracks for each of our divisions, we can identify and focus on the decarbonisation solutions that take each divisions' unique challenges and opportunities into consideration while ensuring alignment with actions taken across the broader organisation.

Across our divisions, we depend on technologies that differ markedly in both maturity and cost. In our Solutions division, we are applying well-tested and mature technologies that can deliver efficient carbon reductions. In our Road division we are seeing increasing maturity of technologies that still need scale and testing to prove fit for purpose in our network. In our Air & Sea division, the majority of carbon savings will stem from efficiency improvements in the short term, as zero-emission technologies are still maturing and available only at limited scale and at high cost-premiums.

The decarbonisation roadmap assumes up to 4.5% annual growth in activities towards 2030 to ensure that our initiatives take market expectations into due consideration.

## Partnerships and regulatory framework

Achieving net-zero carbon emissions in transport by 2050 will require collaboration and efforts from many partners. As the majority of DSV's carbon emissions stem from our subcontracted transport, achieving our decarbonisation targets is highly dependent on our ability to mobilise and partner with our carriers, hauliers and other suppliers across our value chain. Close cooperation and strategic partnerships with our customers and within the transport and logistics industry and other sectors are equally important to the success of our decarbonisation strategy.

Although global companies such as DSV can play an important role in the transition, reaching global carbon reduction targets will require the implementation of a broad set of policies to ensure the necessary framework conditions are in place to support the transition of the sector. This will encourage a shift to more sustainable travel and freight as well as support for operational and technical energy efficiency measures to reduce carbon intensity across all transport modes.

DSV welcomes national and international regulation that can accelerate the decarbonisation of the transportation sector and promote a level playing field with fair competition. We firmly believe that any carbon fees and taxes levied on the transportation sector and customers should be re-invested by governments into decarbonisation initiatives for the industry.

## First projects launched via our Carbon Pricing Fee Programme

In 2022, we decided to levy a carbon fee on our divisions based on their emissions. It was implemented in 2023. The initiative has two aims. Firstly, to incentivise the carbon reduction efforts across our operations. Secondly, the fee provides financing for our Group-wide decarbonisation initiatives. Via the carbon fee we expect to raise more than DKK 1 billion to support decarbonisation initiatives in our operations towards 2027.

## Carbon Pricing Fee Programme

**38** applications during 2023



**16** approved

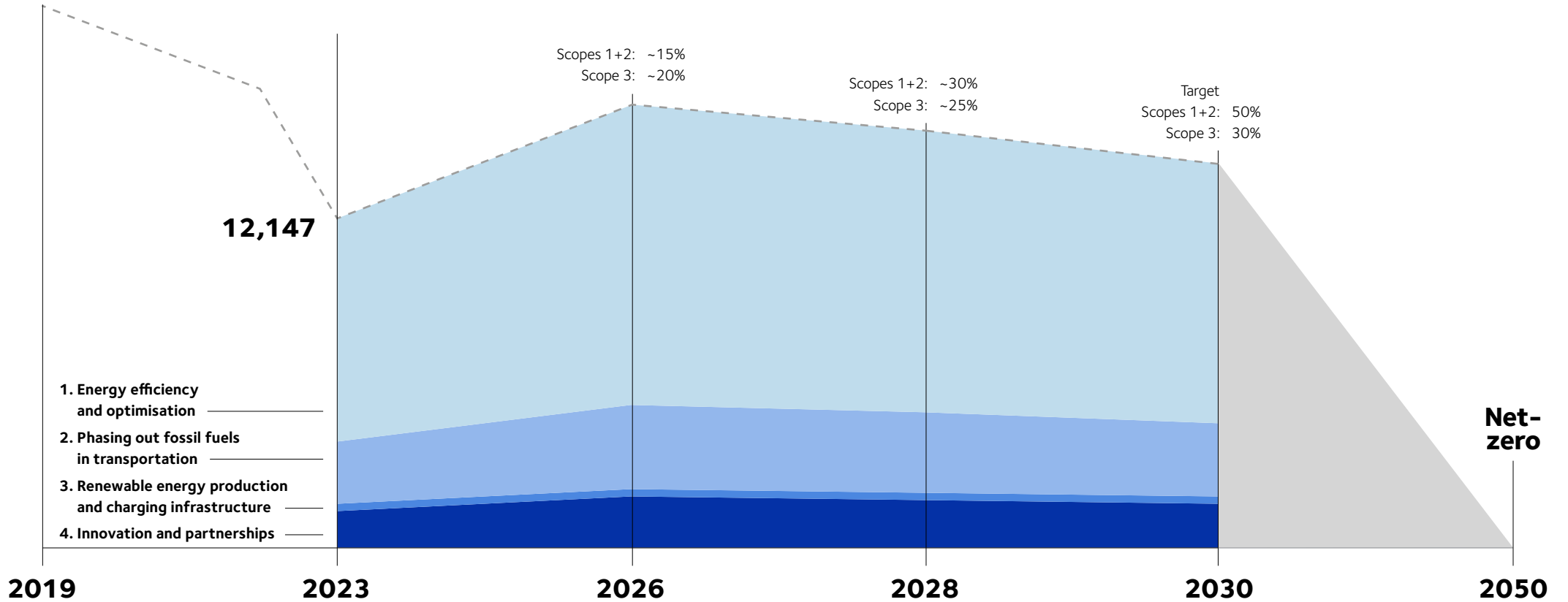
- Solar projects
- Battery electric vehicle (BEV) projects
- Light emitting diode (LED) lighting projects
- Alternative fuel projects covering hydrotreated vegetable oil (HVO) and biogas

## Our roadmap towards net-zero emissions

Our roadmap describes our projected decarbonisation trajectory. It includes the estimated share of emission reductions from initiatives within our four key decarbonisation levers:

**20,526** (CO<sub>2</sub>e - '000 tonnes)

- Energy efficiency and optimisation
- Phasing out fossil fuels in transportation
- Renewable energy production and charging infrastructure
- Innovation and partnerships
- Projected reduction trajectory



## 1. Energy efficiency and optimisation

The global transition to net zero across all industries will depend on massive investments in renewable energy production and the introduction of new energy infrastructure. It is therefore vital that energy produced is used as efficiently as possible in all industries.

Although improving energy efficiency is not enough to reach DSV's carbon reduction targets, it will play a very important role. This is especially the case until new sustainable fuels become available at scale in air and sea transport and new battery electric vehicle (BEV) technologies have become more widely available in road transportation.

By 2030, we anticipate a significant reduction in carbon emissions in our Road division through the deployment of best-in-class (BIC) diesel trucks. Currently, BIC diesel trucks provide the most cost-efficient CO<sub>2</sub> reduction in our Road division, and we expect at least 5,000 of our third-party trucks to operate at BIC level by 2030.

Using well-tested energy efficiency solutions such as light emitting diode (LED) lighting and building management systems (BMS) in our existing offices, terminals and warehouses will yield significant savings for our scopes 1 and 2 emissions.

Towards 2030, the majority of carbon reduction savings in our Air & Sea division will come from operational and technical optimisation gains.

Through our strategic engagement with our main Air & Sea carriers we expect a significant impact from fleet renewal, engine improvements, retrofitting and operational efficiency improvement.

Every day DSV teams strive to provide our customers with the efficient transport and logistics solutions. Optimising the use of our transport routes, modes and networks play a key role in ensuring carbon efficiency across our services. We are continuously developing new ways to support this endeavour. In 2023, we have taken major steps to further digitalise and integrate CO<sub>2</sub> data across our business processes. The aim is to enable an even higher degree of automation and estimation for CO<sub>2</sub> emissions, speed and cost to ensure efficiency for every shipment.

## 2. Phasing out fossil fuels in transportation

According to the International Energy Agency (IEA), the global transportation industry still relies on fossil fuels for 91% of its final energy use, down only 3.5% points since the early 1970's.

With global demand for transportation set to continue to rise towards 2050, achieving net zero for heavy transportation will require transitioning to alternative fuels. Solutions for supplying trucks, ships and aeroplanes with renewable energy are in various stages of maturity and come at a number of different price points.

Battery electric vehicles (BEV), hydrotreated vegetable oil (HVO), biofuel and hydrogen fuel cell technologies will drive the change toward reducing fossil fuels in road transport. Especially BEV trucks are reaching market maturity although still with a significant cost-premium.

As part of our decarbonisation roadmap, DSV is deploying more than 300 BEVs to our operations in 2024 and 2025. By 2030, we expect to have more than 2,000 BEVs in our operations as well as other low- and zero-emission truck technologies, in addition to trucks using HVO.

In 2023, DSV invested in several projects where zero-emission vehicle technologies (hydrogen fuel cell, battery electric) were introduced across our global Road operations. By engaging in and testing these new technologies in our daily operations, we support and accelerate the development and scalability of new zero emission trucking solutions.

Our Air & Sea division is reliant on decarbonisation technologies that are less mature and that come with very high cost-premiums compared to conventional fossil energy solutions. Both sectors are critically dependent on availability at scale of low carbon fuels based on renewable energy such as sustainable aviation fuel, HVO, green hydrogen, e-methanol and e-ammonia.

In 2023, we updated our sustainable fuel programme, supporting the demand for the production of sustainable fuels across all transport modes and promoting a shift towards renewable fuels in aviation and the marine sectors.

This year, we also launched our Sustainable Aviation Fuel (SAF) Programme, which ensures that we purchase SAF for all company business flights. The initiative supports the scaling of sustainable fuel production, so that processes can be more industrialised and costs driven down over time.

### 3. Renewable energy production and charging infrastructure

With the rapid technological development of battery electric vehicle (BEV) technologies, much of DSV's equipment, trucks and subcontracted road transport will be decarbonised using electrification. Ensuring sufficient charging infrastructure for electric trucks is therefore vital for enabling our strategy.

This is why a central part of our decarbonisation roadmap is focused on installing solar panels at DSV's rooftops to generate renewable electricity, which can provide charging for equipment and trucks as well as produce renewable energy for the operation of our terminals and office facilities.

In 2023, we rolled out DSV Energy – an internal function that will drive the development and implementation of scalable solutions for enter-

prise-wide optimisation of local renewable energy production, charging infrastructure, energy optimisation and energy trading.

The initiative aims to make DSV an active energy producer and allow us to take more control over our decarbonisation journey in two ways. Firstly, DSV Energy will enable us to run our warehouses, terminals and offices on our own renewable energy, reducing our scopes 1 and 2 carbon emissions. Secondly, by enabling us to produce more electricity than our buildings and operations consume, we will trade energy back to the grid, store energy in battery energy storage systems (BESS) and provide charging for our partners' and subcontractors' vehicles thus reducing our scope 3 emissions.

In 2023, pilot projects were carried out at DSV's facilities at Horsens, Denmark and our new facilities under construction at Landskrona, Sweden. At the Landskrona facility, we are installing a rooftop solar PV park with a capacity of 14 MWp, which corresponds to the energy needed to power roughly 1,400 households for a year. At Horsens, we are installing

a rooftop solar PV park with a capacity of 36 MWp and 8 MWh BESS. For both sites, charging infrastructure is implemented for cars, e-trailers, trucks and other equipment. The facilities will only require around 25% of the electricity produced, with the remaining electricity to be stored in batteries for future use, such as charging electric vehicles or grid-balancing services.

Currently, DSV Energy is pursuing the development additional sites across Europe and we will see them operationalised in the coming years.

By 2030, we plan to implement at least 400 MWp from solar panels on new and existing properties and on new DSV Energy sites.

### 4. Innovation and partnerships

As the majority of DSV's carbon emissions are in scope 3, achieving our decarbonisation targets relies to a high degree on our ability to mobilise and partner with customers, suppliers and investors across our value chain and the industry at large. As such, partnerships and collaboration is a key focus area for us in the application of our roadmap initiatives.

In 2023, DSV became a premium member of the Smart Freight Centre (SFC) and joined SFC's Clean Air Transport Initiative. This initiative aims to bring together first movers on sustainable aviation in the freight industry, leveraging increased transparency of emissions from air freight services to drive decarbonisation measures and alignment in standards across the air transport industry.

Many of the technologies that the transportation industry will rely on to reach net-zero emissions are still maturing and not yet scaled to be cost-efficient. Furthermore, the fragmented transport market, especially in road transport characterised by many smaller hauliers, is a barrier for disseminating best practice solutions and the uptake of new technologies.

Due to our central role in the freight forwarding industry, DSV is uniquely placed to help overcome these barriers. Our Road innovation initiatives are designed to test promising solutions and enable our subcontractors to access these solutions through our partnerships with truck manufacturers and technology providers at reduced cost. This is a great example of how we enable decarbonisation across our suppliers in a challenging industry.

One of the very promising innovations we have been testing in 2023 is the e-trailer, which holds the potential for significant emissions reductions. Paired with a diesel truck, the e-trailer drastically reduces the diesel

usage of the truck by supplying it with electricity. And with an electric truck, it works as a range extender. Through our feasibility testing in 2023, we found that the e-trailer enables us to achieve significant reductions when paired with a diesel truck. DSV was among the first to place a pre-order of the e-trailers. Once the technology is mature, we will start deploying these into our operations.

# Supporting our customers' decarbonisation journey

As more of our customers set CO<sub>2</sub> reduction targets and look at reduction opportunities across their supply chain, we see increasing interest and demand for our Green Logistics services. DSV's Green Logistics is designed to help our customers gain visibility over carbon emissions in their sub-contracted transport and logistics and develop decarbonisation strategies that fit their specific needs and targets.

We are constantly developing our services to support our customers' decarbonisation journey. Many carbon-reducing technologies and solutions are still maturing and currently come at a premium. It can also be challenging to assess the quality and efficiency of the many services and solutions on offer in the market today. In 2023, we made several new services available to our customers. We have also made our Green Logistics e-learning mandatory for more than 2,000 commercial employees and optional for the rest of the organisation.

## *Providing transparent CO<sub>2</sub> reporting to our customers*

Many of our customers start their decarbonisation engagement with us using our detailed CO<sub>2</sub> reporting service. This service allows us to engage with our customers based on CO<sub>2</sub> data analysis of their entire transportation and logistics portfolios. With full and detailed insight into their carbon emissions inventory with DSV, we can help our customers identify opportunities for optimisation and reduction of emissions. We are constantly updating our reporting methodologies in line with industry standards. In 2023, we saw a 47% increase in our CO<sub>2</sub> reporting service.

The ability to quickly model and assess the impact of different transport solutions is key to supporting emission reductions across our customers' supply chain. In 2023, we initiated a major internal carbon digitalisation programme to support our own and our customers' decarbonisation efforts. The programme gives us access to automated high-quality CO<sub>2</sub> data. As part of this programme, we launched a new service automatically incorpo-

rating the CO<sub>2</sub> impact in our customer invoices. We provide this service in accordance with strict methodologies and the highest industry standards.

## *Optimising and decarbonising supply chains*

Collaborating closely with our customers, our supply chain optimisation service is focused on optimising customers' supply chains from a cost, service and CO<sub>2</sub> emissions perspective.

A leaner and more efficient supply chain goes hand in hand with a carbon- and cost-efficient supply chain. In 2023, our supply chain optimisation experts carried out more than 100 optimisation projects with our customers.

In one project, we partnered with a customer to help them shift from air to a sea-air solution (Asia to Europe) identifying a 49% CO<sub>2</sub> reduction potential and 17% cost saving potential. We also designed solutions to help another customer improve their container fill rate (US to Europe) and identified 27% CO<sub>2</sub> reduction potential, 24% cost saving potential and 37% CO<sub>2</sub> reduction potential in dwell time.

## *Offering sustainable fuels across all transport modes*

Sustainable fuels will play a critical role in the decarbonisation of the transportation industry, delivering up to 90% CO<sub>2</sub> reductions. The sustainable bio-fuels ensure here-and-now emission reductions in road, air and sea transport. However, global production of sustainable fuels is limited and comes at a premium compared to conventional fuels. As the market for sustainable fuels and the associated certification schemes is still very new, it can be challenging to navigate for many customers. Our framework is aligned with the latest industry standards and, in 2023, we obtained third party assurance (limited assurance) for our sustainable fuel programme.

## *Carbon off-setting*

We offer our customers access to certified carbon off-setting as part of our Green Logistics service portfolio. Carbon off-setting is particularly relevant for customers looking to reach net-zero emissions and who have already utilised DSV's other Green Logistics solutions to reduce and optimise emissions. We are working with a premier accredited partner to ensure compliance with relevant standards and requirements.

## *Sustainable warehousing*

Our sustainability strategy and policies ensure that our warehousing services are designed with energy efficiency, renewable energy, circular resource use and minimising waste in focus. This can include repairs of faulty products, refurbishment, recycling or reselling of refurbished products and spare parts into a revenue stream, thus transforming waste into resources.

Read more about **Green Logistics** here:

<https://www.dsv.com/en/green-logistics>





# Reducing impact across our operations

As our business grows, we are constantly working to optimise and improve our physical infrastructure. Each year, we are involved in construction projects for new facilities, where a broad approach to sustainability is embedded in both the planning and execution.

We set strict requirements for our buildings' performance throughout their expected operational life, which is set to at least 50 years. Every new building must be able to achieve "gold" certification under at least one of the DGNB, LEED or BREAM standards, which are the sustainable construction standards we use in DSV.

This means that our buildings are very energy efficient, which allows us to run the facilities with a low energy demand. Our Global Building Design Manual prescribes that each new facility is constructed with solar panels that produce enough energy to cover the buildings' own energy demand. Together, these global requirements mean that all of our new buildings are already aligned with the EU's new zero-emission standard.

We consider location-specific climate risk to our facilities and employees when we develop new constructions. We do this in close dialogue with local planning authorities.

*Driving down life cycle CO<sub>2</sub> footprint of our buildings*  
 2023 saw us adding a new requirement to our construction tenders. To ensure that we drive down not only CO<sub>2</sub> emissions from operating our buildings but also life cycle CO<sub>2</sub> emissions, we will require our contractors to provide solutions that limit life cycle CO<sub>2</sub> emissions to 9.5 Kg/m<sup>2</sup>. Life cycle CO<sub>2</sub> emissions include those from manufacturing and transporting the building materials, considering their life span and end-of-life

use. We have a strong focus on using materials that are re-usable and require minimal maintenance.

*Biodiversity impact assessment*

In 2023, we assessed our impact on biodiversity for own operations and for key activities in our value chain. DSV's impacts were assessed using a variety of tools against the five direct drivers of changes in nature: land- and sea-use change, direct exploitation, climate change, pollution and invasive alien species. The assessment confirmed that DSV has a material negative impact on nature through CO<sub>2</sub> emissions which cause both climate change and pollution. As such, our decarbonisation targets and strategy will also mitigate the associated negative impact on biodiversity. In addition, our global construction standards seek to minimise negative impact on local flora and fauna. New construction projects are always executed in collaboration with local planning authorities and on land that has already undergone some development or on retired farmland. Landscaping choices prioritise native plants and trees.

*Environmental Management System*

As part of our Integrated Management System we employ ISO 14001 to ensure comprehensive environmental focus in our operations, including monitoring violations of environmental laws by our operations. In 2023, we did not register any major accidents or environmental violations. In 2023, 38% of our locations were ISO 14001 certified compared to 36% in 2022. We expect it to increase to 42% in 2024. We conducted 261 internal audits and Bureau Veritas performed audits at 92 locations to guarantee our adherence to the ISO 14001 standard as well as relevant DSV policies.

**38%**  
 of our locations  
 are ISO 14001  
 certified

Waste recycling  
 performance  
**49.9%**

**Improved local sorting of waste and new targets for responsible waste management**

Throughout 2023, we have made a significant effort to further improve the sorting of material waste streams at our sites. In 2023, 76% of our facilities (measured in square metres) have implemented sorting schemes for paper, cardboard and plastic, which are the waste streams that we currently focus on. This is an improvement from 73% in 2022. The individual sorting ratio was above 80% for all three main fractions.

In 2023, we re-assessed our Waste Management Policy and targets. Our updated policy embraces a circularity approach to our waste management and sets out our commitment to manage waste fractions as high as possible within the waste hierarchy and minimise waste from our operations going to landfill. The policy applies to all DSV entities and sites taking local operating conditions into consideration. Our monitoring and targets for waste management will focus on recycling for all fractions as measured in volumes.

For 2024, we set a target of recycling a minimum 53% of total waste. The baseline for 2023 is 49.9%.

*Reducing plastic waste*

One of the major waste streams in DSV operations is the plastic wrapping used to secure pallets and packages in our warehouses and terminals. As we ensure the safe transport and storage of our customers' goods, we are conscious that we are adding significant quantities of plastic foil into our value chain. To reduce this impact, we have created a global wrapping concept that reduces the use of stretch plastic foil. In 2023, the concept was rolled out in several countries. Across the European facilities alone, 170 tonnes of plastic wrapping, corresponding to 424 tonnes CO<sub>2</sub>, was saved in 2023.

# Our social responsibility

DSV is a people business, and our employees are our most important asset. Whether they are freight forwarders, terminal workers, sales staff or work in administration, they all drive the success of our company, and we have a commitment to support the growth of each individual and our company.

DSV strives to be a workplace where everyone can thrive, realise their potential and feel respected. We are committed to ensuring a healthy and safe working environment, respecting labour rights, fostering diversity and inclusion and supporting our employees with training and development opportunities across the organisation. Attracting and motivating talented people are also central to securing the continued development of our company.

## Our priorities

### Caring for our employees

We strive to be a safe and inclusive place to work. We work hard to attract and keep talent by giving employees responsibility and growth opportunities. We want to promote diversity, protect rights and improve our employees' well-being.

### Engaging with communities

We work with local communities across the globe. We respond to local needs, challenges and emergencies everywhere we do business.



## 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

## Status 2023

- Below target at 3.3
- One fatality during 2023
- Well below target at 50.7

## Targets 2024

- An eNPS score in our global engagement survey that is at or above the global benchmark
- Number of fatalities must not exceed 0
- Lost Time Injury Frequency Rate (LTIFR) must not exceed 3.5 per million working hours
- Lost workdays frequency rate due to LTI per million working hours must not exceed 70
- Increase the percentage of female leaders on director level and above

# Who we are at DSV

Approximately 75,000 employees of more than 160 nationalities in over 80 countries make up DSV. Our employees represent many cultures, backgrounds and religious beliefs and consist of an approximately equal proportion of salaried and hourly workers.

DSV's global workforce comprises 38% women and 62% men. Women make up 49% of our salaried staff but only 25% of hourly employees. These levels have been stable over the last few years. The gender distribution between salaried and hourly workers reflects the difference in

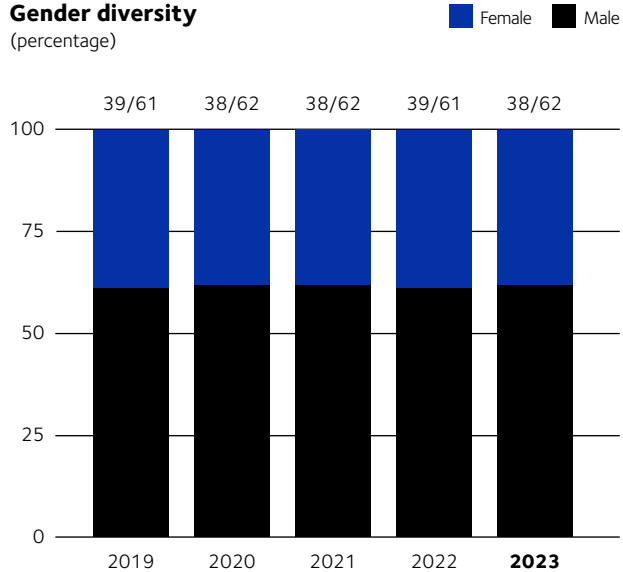
tasks and is characteristic of our industry. Our salaried employees mainly work in an office environment with freight forwarding, sales, business development or general administration. In contrast, our hourly workers primarily work at our terminals, logistics centres or as drivers.

Retaining employees enables us to maintain the knowledge and competencies required to secure DSV's long-term development. In 2023, we had a total employee turnover of 20.7%, which is a decrease of 5.3 percentage points compared to 2022.

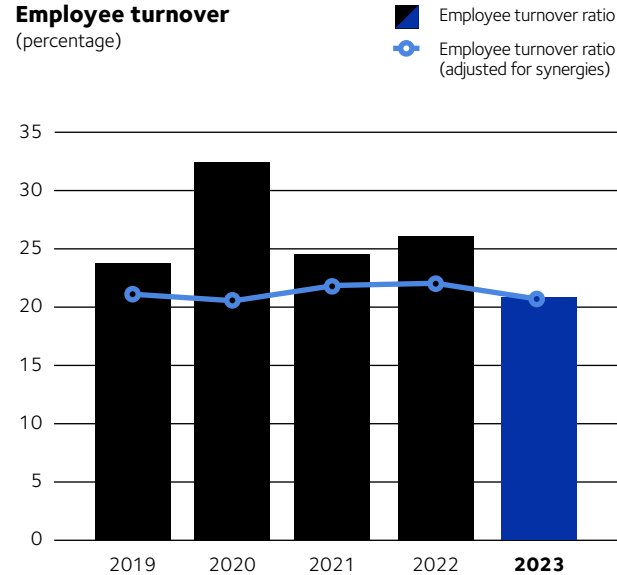
We believe this development reflects a more stable organisational structure after implementing the GIL integration.

The transport and logistics industry is characterised by a relatively high employee turnover. Comparing our turnover rate to the average industry rate, we are on par. We maintain a good average tenure of seven years, and 21% of all staff have been employed with us for more than 11 years. The average age of our employees is 39 years.

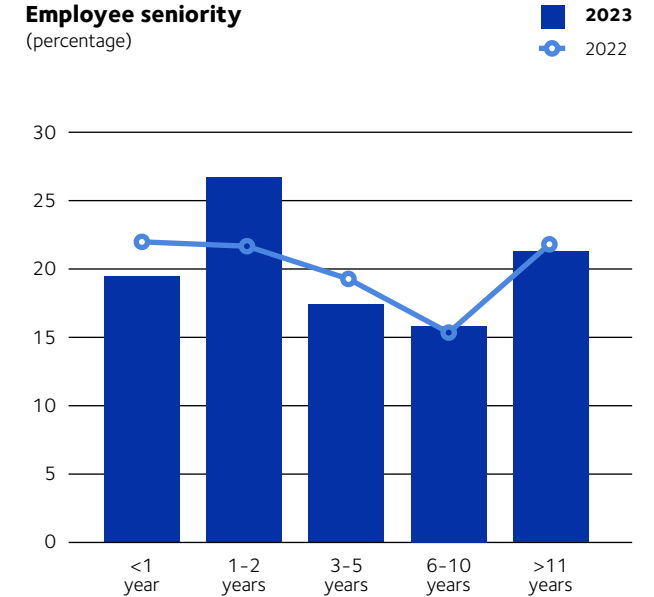
**Gender diversity**  
(percentage)



**Employee turnover**  
(percentage)



**Employee seniority**  
(percentage)



# Attractive employer

## Continuous and constructive dialogue

Engaging with our employees and sharing feedback and perspectives are crucial for our performance as a company. We believe that the best solutions are found when all employees play an active role in shaping our culture and workplace.

DSV supports a constructive dialogue between employer and employee. We have established a variety of processes to facilitate a dialogue with our employees in many different forms, including via collective bargaining. We maintain an active relationship with labour unions and have not faced any labour conflicts or related work disruptions during 2023.

As part of our employee dialogue, DSV has an established European Workers Council which is another important communication channel. The European Workers Council meets twice a year and regularly has direct discussions with representatives of the Group Executive Board. Ad-hoc consultations can also be arranged during the year to address important matters.

## DSV People Survey

Once a year, we organise a global engagement survey reaching all employees on our payroll. The survey provides valuable insights into employee's expectations that we can use to create an even better workplace for existing and future DSV employees.

Our 2022 global engagement survey achieved a participation rate of 73%. The results showed high overall job satisfaction and motivation scores. Also, when asked if our employees would recommend others to seek employment at DSV, we saw scores above the global benchmark. The average eNPS (employee net promotor score) for the DSV Group was also

**76%**  
participation  
rate in our  
People survey  
in 2023

An eNPS  
score at  
**34** in 2023

positive, achieving 36, which is above the global external benchmark of 34.

We continuously strive to improve engagement, and during 2023, a lot of effort was put into working with the results across the organisation, from company to team level. At the end of 2023, 72% of all departments had registered actions on the central platform covering survey topics ranging from "learning and development", "immediate manager" to "cooperation" and "sustainability".

This year's People Survey was initiated in December 2023 and reached a response rate of 76% with an eNPS score of 34.

## Employee benefits

DSV offers fair and attractive benefits. We work closely with all local markets to maintain standards and implement a combination of benefits from the DSV Global Employee Benefit Policy and local benefit schemes. The Global Employee Benefit Policy programmes cover retirement plans, healthcare and risk insurance plans. The composition of these programmes is dependent on the local market practice.

Each country and region have their regulations and ways of rewarding employees. Therefore, our benefit models are primarily delegated to the local country management teams. They are closer to the market, empowered to act quickly upon any changes in rules and regulations and familiar with local industry standards.

We provide many other incentives to employees. Depending on local market practices, they can include pensions, employee wellbeing programmes, various leave options, participation in

further formal education, part-time employment, flexible work arrangements and social events.

## Remuneration

Employment in DSV is subject to our company policies and applicable national legislation. Remuneration follows local standards and regulations and should meet or exceed statutory or agreed national industry minimum standards and should not fall below the living wage in a country. This applies to all our employees.

A large proportion of our staff across the world are employed under different collective bargaining agreements, where local employment terms are negotiated by the local labour market parties. Currently, 32% of our employees (primarily hourly workers) are covered by collective agreements. Salaried employees' compensation packages are typically determined by local market levels, and internal and external benchmarks are often used to establish the right level of compensation.

We also offer variable performance-based incentives, including local bonus plans and long-term global incentives in the form of share options. These are described in more detail in note 6.2 to the DSV Annual Report 2023 and in our General Guideline for Incentive Pay for Employees.

# Developing workforce competencies

Building competencies and skills is crucial in strengthening our workforce and enabling employees to achieve their career goals. We support this through our extensive global training programmes available to all employees at all levels of the company. The programmes offer a wide range of training opportunities, targeting professional and personal competencies.

All training material is accessible via the DSV Academy, which includes global and local offers.

Our global programmes focus on defined areas to create a uniform approach to each subject. These mainly cover online training, leadership, commercial and operational training.

In 2023, we focused our attention on further developing our online training, leadership and Young DSV programme. We will continue this work in 2024, specifically addressing digitalisation throughout our training.

## Training for all

### *Online training*

We offer training opportunities for all employees via our online platform, which contains a wide selection of e-learning courses and webinars covering many different topics. Besides our internally developed e-learning courses, we have an external library of over 10,000 generic e-learning courses. Compared to 2022, the number of completed courses increased by 50% to almost 950,000.

### *Global leadership training*

The purpose of our global leadership training is to create a common leadership language in DSV and ensure that all managers share the same fundamental competencies and toolbox. In 2023, we focused on increasing the number of countries in which we conduct leadership training.

The training is now available in all countries. More than 45 countries participated in the training programme in 2023. It is a significant increase compared to 2022, which was still affected by post-covid reactions. More than 1,000 managers completed our global leadership training in 2023.

### *Young DSV*

Young DSV is our entry-level training programme for freight forwarding trainees. It offers a mix of on-the-job and theoretical training. We aim to give participants a complete DSV education and ensure they get the strongest possible foundation for their freight forwarding career with us. This multidivisional programme is currently running in parts of Europe.

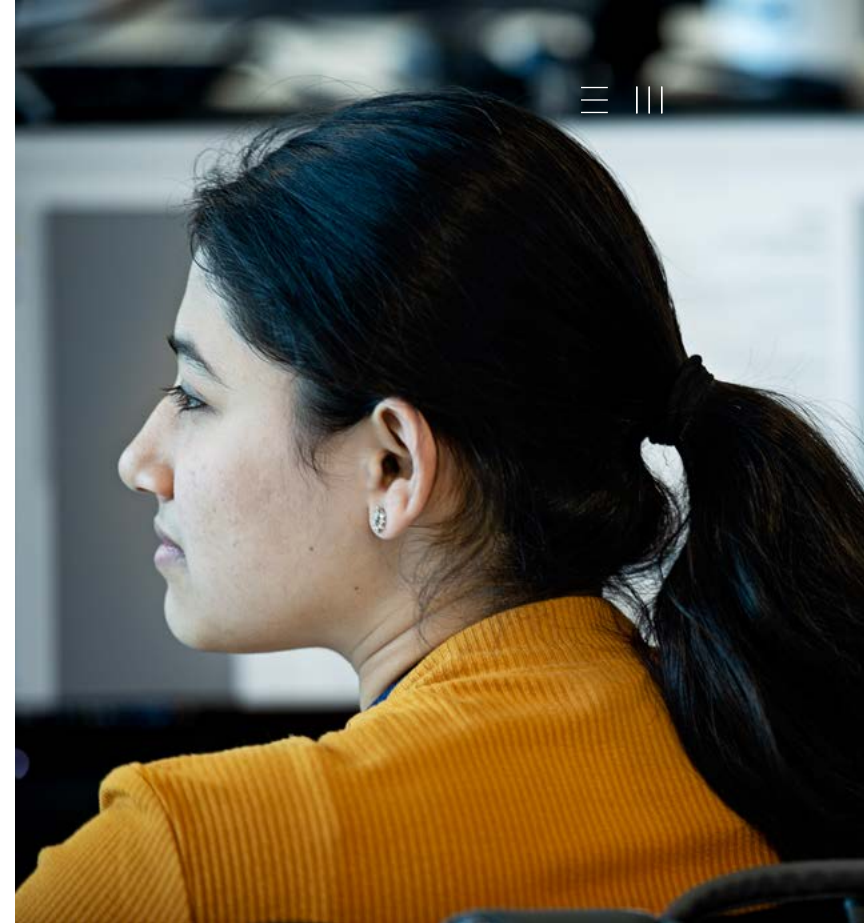
In 2023, we launched the Trainee Academy, an Air & Sea initiative based on the Young DSV programme. The Academy is live in several countries in LATAM, and so far, we have enrolled around 80 trainees to the programme. It is our ambition to expand it to more countries beyond LATAM.

## Local training

Each country offers job-specific courses covering many topics, such as health & safety, onboarding and much more. As the availability of training in different countries can vary depending on local training needs and legislation, some countries offer a more extensive employee training portfolio than others. It has been a focus area in 2023 to provide more flexibility on our e-learning platform, thereby increasing local training opportunities.

## Development goals and succession planning

We support our employees' continued development and engagement by providing them with development opportunities. We have standardised our performance and development process to ensure that expectations are aligned from both sides. Our global HR platform contains a goal setting and feedback module facilitating this process.



It invites an open dialogue between employees and their managers and ensures that employees work towards shared department objectives.

As we grow, so does our need for more skilled employees and leaders. We have a global talent review and succession planning process in place to support this development. As part of this process, employees and managers are thoroughly evaluated to assess their ability to take on more responsibility.

# Diversity and inclusion

Diversity and inclusion are essential values in DSV. Our workforce is made up of several different cultures, backgrounds, experiences and skills. This diversity contributes to our unique culture and forward-thinking work environment, enabling employees to thrive and realise their potential. It also gives us a significant business advantage and contributes to our collective development and growth and, ultimately, better business decisions.

At DSV, we are an inclusive organisation and recognise and accept the uniqueness of each individual. For us, inclusion is about removing obstacles and barriers so that current and future employees have equal opportunities in the organisation, regardless of their social identity or visible and invisible traits.

Our Diversity and Inclusion Policy applies to all employees across DSV, including the Executive Board and the Board of Directors. The Board of Directors is responsible for the policy and reviews it annually based on recommendations from the Nomination Committee. The policy covers gender, race, religion, age, disability, sexual, religious or political orientation, national origin and cultural backgrounds.

### Employee feedback on diversity and inclusion

In the DSV People Survey, we include questions related to diversity and inclusion. The results in 2022 showed very high scores, indicating that employees feel respected for who they are and generally find DSV to be an inclusive workplace with room for individual differences. The 2023 DSV People Survey also contained questions about inclusion to help us track developments and follow up with any actions in 2024.

### Our local approach

We recognise that diversity and inclusion priorities vary from country to country and must be tailored to meet local requirements and align with our global Diversity Policy. For example, in certain parts of the world,

the focus is heavily on ethnicity and cultural background, while in other countries, it is on religion, gender or disabilities. Therefore, our entities are responsible for ensuring location-specific initiatives, but always in alignment with the global policy. Local initiatives can include everything from using recruitment agencies that are specialised in minority groups, over veteran programmes, training in eliminating harassment, and leadership programmes for specific population groups, to initiatives targeted at female employees.

### Focus areas for 2023

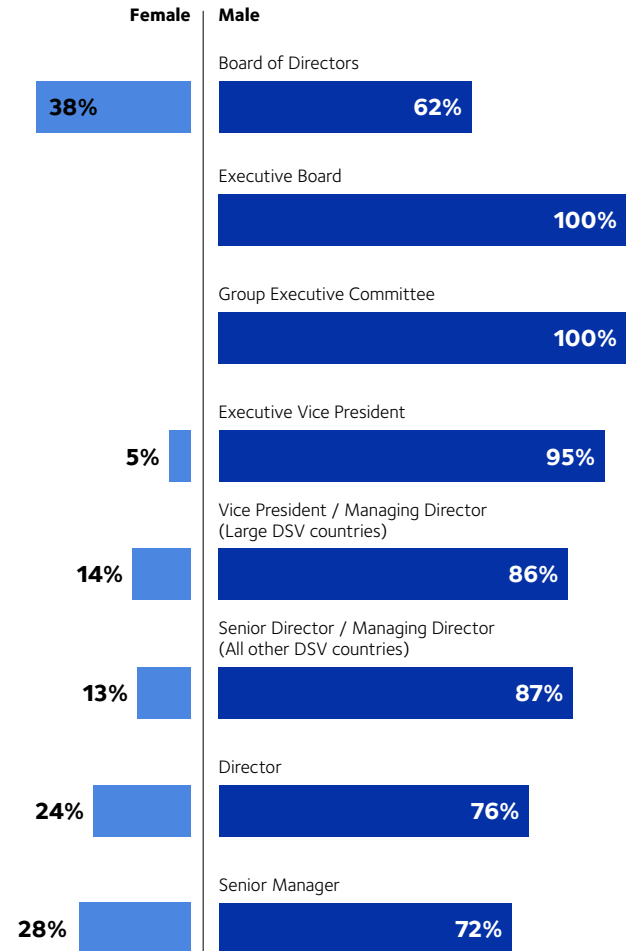
We continued our mandatory diversity and inclusion training for all new managers and HR employees during 2023. By increasing awareness about potential biases and stereotyping that may limit our ability to see individual differences and capabilities, the training aims to remove barriers to equal opportunities.

To further increase awareness of diversity and inclusion, a Diversity Council has been established across our large and mid-sized entities in 2023 to exchange experiences and best practices within diversity and inclusion across our global HR staff. This input will provide guidance and serve as inspiration when implementing new initiatives.

### Gender diversity throughout DSV

The total proportion of female managers is 34% compared to 32% in 2022. The development has been nearly flat over the last five years, with some fluctuations during acquisitions. We have integrated companies that were male dominated, and we have worked hard to improve the overall gender balance. In 2024 and onwards, we will focus on increasing the percentage of female leaders at director level and above.

## Management composition from Board of Directors to Senior Managers



# Human and labour rights

Human rights are fundamental and must be protected at all times. That is why all people who carry out services for DSV, whether directly as DSV employees or indirectly as employees of our suppliers, must be protected.

## Compliance with international human rights standards

We respect human and labour rights and follow national and international regulations and guidelines. To demonstrate our commitment, we have set standards for both our own operations and our value chain.

We adhere to International Labour Organisation (ILO) Conventions and Recommendations, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights and the Children’s Rights and Business Principles. We also conform to OECD Guidelines for Multinational Enterprises and are committed to fair employment practices, equal opportunity and treatment.

### *Forced labour, human trafficking and modern slavery*

We are committed to the fight against human trafficking, forced labour and debt servitude. Every year, we publish our Modern Slavery Statement, which outlines our actions and future plans to ensure that any form of modern-day slavery or human trafficking does not take place in our operations or across our supply chains.

In 2023, we implemented a stand-alone Human Rights Policy to further guide our organisation on DSV’s longstanding position and supplement our Code of Conduct and Modern Slavery Act Statement. The DSV Human Rights Policy addresses common human rights risks in our sector and is the basis of our Human Rights Programme, which is applied through several measures in order to mitigate risk.

## Human Rights Programme

Our Human Rights Programme ensures the protection of our employees

across our operations and follows an annual four-step process: global risk assessment, self-assessment, corrective actions and training.

We start each year with a global risk assessment of all our entities. This assessment takes into consideration both external factors, such as the human rights risks in a given country, and internal factors, such as the number of hourly employees, among other aspects.

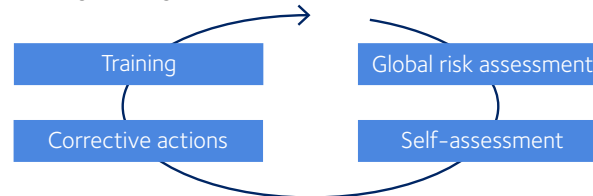
The risk assessment identifies specific entities for further review. The selected entities perform a self-assessment to identify further risks and mitigate these by creating a list of findings and corrective actions. This process addresses any non-conformities in our operations or supply chain.

The last step is to conduct training for the employees in the selected entities to ensure that they know our standards and understand their rights and responsibilities as well as how to report any concerns they might have. In 2023, 1,033 employees completed the human rights e-learning course.

### *2023 performance*

Our Human Rights Programme did not identify any significant human rights risks in our operations. We identified minor improvement areas that will be addressed through various global and local initiatives.

### Human rights programme



## DSV’s values and approach to human rights is described in our Human Rights Policy. It addresses various topics:

- Forced labour, human trafficking and modern slavery
- Child labour
- Passport retention
- Recruitment fees
- Discrimination and harassment
- Health, safety and environment
- Working hours and rest periods
- Living wages
- Prohibition on disciplinary deductions
- Accommodation standards
- Collective bargaining
- Protection from retaliation

# Our health & safety culture

At DSV, we strive to be a safe workplace and always consider health and safety risks when doing business. Each of us takes personal responsibility for our safety and for the safety of others.

Our commitment is anchored in our health and safety global requirements programme, which is formalised in our Health & Safety Policy. It is approved by our Group Executive Committee and is mandatory for all entities in DSV.

The policy aims to minimise the risk of accidents, incidents and ill health. Implementation of standards, training, information and instructions, details on hazards, controls and expected safe working practices are designed to ensure DSV's health and safety performance.

The global requirements are built around four main pillars: safe workplace, safe people, safe equipment and safe systems. Together, these pillars form our framework for health and safety risk management and accident prevention measures.

## Our Health & Safety Programme

DSV's Health & Safety Programme outlines the global requirements and provides tools and guidance. These are mandatory for anyone working in a safety capacity or assigned to deliver safer outcomes for the organisation.

Appointed and trained safety professionals are the local anchor points across our global network. They ensure that our policy and programme are implemented at all DSV locations. Their primary responsibility is to support our entities and ensure a healthy and safe working environment for all our employees.

### ✓ Safe Systems

- Manage risks
- Safe work practices
- Comply with standards

### ✓ Safe People

- Competent and trained employees
- Measure safety performance
- Drive improvements

### ✓ Safe Equipment

- Procurement standards
- Operate as intended
- Maintain equipment

### ✓ Safe Workplace

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

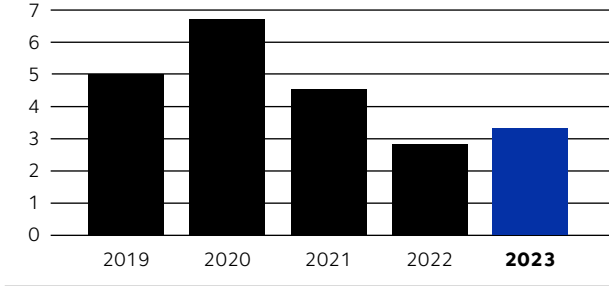






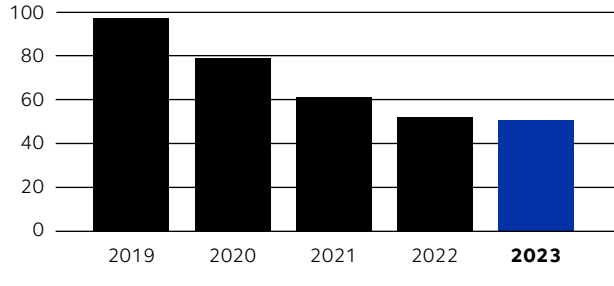
### Lost Time Injury Frequency Rate (LTIFR)

(per million working hours)



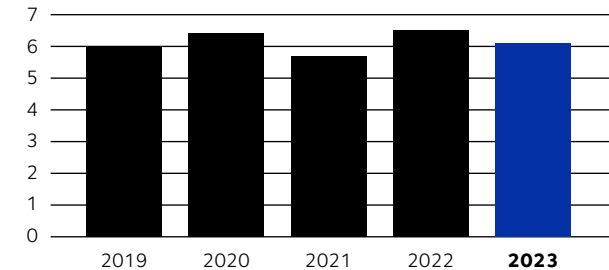
### Lost workdays due to lost time injury

(per million working hours)



### Sickness absence

(days per FTE)



### Performance in 2023

Our health and safety indicators remained relatively stable throughout 2023 compared to 2022. We attribute this to the ongoing focus on our health and safety strategy, the steady increase in number of locations being added to our ISO 45001 multisite certification as well as the many hours of training conducted across the organisation in 2023. Our 2023 performance is in line with our targets except for one fatality we regretfully experienced.

We run a number of different safety-at-work initiatives to ensure that our locations follow the global requirements. In 2023, our priority has been to train new safety professionals to ensure they are familiar with their roles and responsibilities. During 2023, more than 120,000 hours of health and safety training were completed.

To ensure we uphold processes, we continuously monitor the implementation of the policy. We completed 277 internal health and safety audits in 2023. Meanwhile, Bureau Veritas Certification conducted 87 audits across 46 countries covering 86 locations to ensure we remain compliant with the ISO 45001 standard as part of our multisite certification. In total, 33% of our locations are ISO 45001 certified, compared to 31% in 2022. We expect this number to increase to 37% in 2024.

We use internal data and data from these audits to analyse and identify trends and areas of improvement within our health and safety practices. We also share safety alerts globally to reduce recurrent high-risk scenarios and ensure transparent reporting.

#### Lost time injury

This year, we saw a slight increase in lost time injury frequency rates (LTIFR), measured per million working hours. In 2023, the LTIFR was 3.3, compared to the 2022 LTIFR at 2.8. We believe that our increased focus on training and the upgraded skills of our health and safety professionals has led to increased focus on reported data, which we ascribe as the main reason for this year's direction in LTIFR. However, this is still below our 2023 lost time injury target of 4.5. For 2024, we have increased our ambitions and set a target of 3.5.

#### Lost workdays

Our lost workdays due to lost time injuries (measured per million working hours) were 50.7 this year, a slight decrease compared to 52.0 in 2022. We attribute this decrease to the same effect as for LTIFR. This year's results are still well below our 2023 target of 90.0. For 2024, we have also increased our expectations for this indicator and reduced the target to 70.0.

#### Sickness absence

The sickness absence rate has fluctuated slightly over the last five years, gradually decreasing to 6.1 in 2023, compared to 6.5 in 2022.

#### Fatality in 2023

We regretfully report that one colleague employed at our Bahrain subsidiary was fatally injured in a road accident in December 2023. The accident did not result in other fatalities, although one other person was injured. We are carrying out investigations to understand the causes of the accident and to evaluate measures to ensure workplace safety measures for our employees. Zero fatalities continue to be our target for 2024.

### Safe transport and storage of dangerous goods

If not handled correctly, dangerous goods can lead to a number of health and safety risks. We work diligently to ensure that we remain compliant with all statutory regulations and industry standards for handling and transporting hazardous materials and dangerous goods.

In 2023, we launched an updated global Dangerous Goods Awareness training course for all relevant employees with the aim of providing the necessary skills and knowledge to properly manage the storage and shipment of dangerous goods. Close to 22,000 colleagues were trained. Continued training and implementation of best practices will remain a focus area in 2024, with the inclusion of the safe handling and transport of batteries, which are becoming increasingly common within our supply chains.

# Community engagement

We are committed to leaving a positive mark on the communities in which we do business. Our local community engagement is carried out through a combination of global partnerships and local initiatives.

## Local involvement – making an impact across the world

We are engaged in various local initiatives tailored to meet specific community needs. Operating at the local level, our engagement varies by country but is always aligned with our overarching priority of generating a positive impact on individuals and societies. In some regions, we leverage our local expertise to provide essential support during emergencies, offering transportation, warehousing and immediate support during crises.

### DSV Sustainability Impact Map

Explore our impact map to discover the range of initiatives supporting sustainability across our global operations at:

<https://www.dsv.com/en/sustainability-impact-map>



In addition to our logistics expertise, our employees are also involved in a broad range of volunteering activities, such as engaging in cleanup initiatives, providing humanitarian aid following natural disasters or promoting diversity.

## DSV Sustainability Impact Map

In 2023, we introduced the DSV Sustainability Impact Map, showcasing our diverse local and global initiatives. This map illustrates how we translate our sustainability priorities into tangible action across our global operations. It showcases a range of initiatives, including low-emission technology trials, school programmes, reforestation, and disaster recovery efforts. See our initiatives via the link in the box.

## Partnering with UNICEF

In 2023, DSV and UNICEF entered into a strategic partnership with a shared vision to leverage our logistics network and expertise to ensure equitable access to essential supplies for children in need.

Our strategic partnership will strengthen UNICEF's supply chain, improving the efficient delivery of vital supplies for children worldwide. Our commitment involves utilising our most important assets – our skilled workforce and logistics capabilities – to foster a collaborative and mutually beneficial partnership.

The partnership stands on three fundamental pillars, which include both in-kind support and funding.



## The UNICEF partnership pillars

### Humanitarian action

Timely preparedness is key to successful humanitarian support. Pre-established in-kind flight agreements serve as a crucial asset, enabling rapid emergency responses and efficient distribution of supplies. Our commitment to providing in-kind air freight support to UNICEF will help to ensure equitable and timely access to critical supplies during disruptions and emergencies, ultimately saving lives and mitigating the impact of disasters.

### Strengthening supply chains

Resilient supply chains ensure sustainable access to vital goods and services. In a collaborative effort, DSV and UNICEF will be actively working to strengthen supply chains, with a specific emphasis on equipping the supply chain workforce in Latin America with the latest industry practices. This comprehensive programme spans across three years, with DSV contributing with financial support and expertise.

### For all children

The third pillar revolves around flexible funding, allowing UNICEF to support children whose needs are most pressing worldwide. This commitment ensures that resources are allocated strategically, addressing the diverse needs of children across the globe.

# Our integrity

We believe in doing business with integrity. Our strong set of ethical standards governs how we operate and holds our suppliers to the same standards of integrity.

## Our priorities

### Doing business with integrity

We operate with honesty and transparency and pay taxes where we generate our profits. We handle data ethically with appropriate safeguards around data privacy.

### Running a responsible supply chain

We make sure our suppliers meet our standards and understand our sustainability goals.



## 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

## Status 2023

- 100% completion by those employees assigned to the e-learning module
- We are improving our processes within human rights and environmental due diligence, among others
- 755 supplier audits performed

## Targets 2024

- Ensure that all salaried employees receive training on DSV's Code of Conduct every 24 months
- Perform 1,000 supplier audits

# Doing business with integrity

We operate in more than 80 countries, each with distinctive laws, regulations and cultures. We act with the same level of integrity across these markets and in compliance with all applicable legislation.

Unethical behaviour from our employees or suppliers can negatively impact the societies in which we operate and potentially expose us to significant reputational and business risks.

We therefore ensure that our ethical behaviour is governed by our business ethics framework, which sets clear standards throughout our operations. The framework consists of our Code of Conduct as well as a Supplier Code of Conduct and Whistleblower Policy.

The DSV Code of Conduct outlines our values and sets the standard for our ethical behaviour. Where local laws and regulations differ from the standards set in our Code of Conduct, the stricter standard must always be applied. By acting in accordance with the Code of Conduct, we ensure fair, transparent and lawful business operations and mitigate risks to our business. The Code of Conduct applies to all employees, the Executive Board and the Board of Directors.

We set the same standards for our suppliers as we do for our employees through our Supplier Code of Conduct. Similar to the Code of Conduct, our Supplier Code of Conduct sets standards within various areas, including anti-bribery and corruption, human and labour rights, environment and whistleblowing.

These codes of conduct are reviewed annually and updated if needed. In 2023, we made updates mainly within the human rights and whistleblower sections. This was because we implemented a new standalone Human Rights Policy and an updated Whistleblower Policy. While the main guidelines in the Code of Conduct and Supplier Code of Conduct have not changed, the new and updated standalone policies have allowed us to describe the requirements in further detail.

## Our zero-tolerance approach

Our zero-tolerance approach towards any form of bribery or corruption is a key component of our business ethics framework, and we comply with several international guidelines as well as the UK Bribery Act, the US Foreign Corrupt Practices Act and other applicable local legislation. Our approach covers all forms of bribery and corruption, including facilitation payments, kickbacks, gifts and hospitality.

Our strict stance also extends to political causes and institutions. Any political contributions or involvement in political activities on behalf of DSV is prohibited. As such, DSV funds, property or services may not be used to support any political purposes, including indirect political contributions. Also, we do not participate in political activities or support political campaigns, parties, organisations or politicians.

Once a year, we review all internal policies and procedures which support our zero-tolerance approach against the guidance published by the US Department of Justice for compliance with the US Foreign Corrupt Practices Act as well as

**100%**  
completion  
rate among  
over 23,000  
employees who  
were assigned  
the Code  
of Conduct  
e-learning

other important guidance. We assess the strength of our compliance programme within various areas, including tone from the top, risk assessments, due diligence, communication, training, investigations and internal audits. This enables us to identify key areas of improvement to ensure best practices.

## Guiding our employees to act with integrity

We make it a priority to ensure that DSV employees understand what is expected of them. Employees learn about the Code of Conduct through our mandatory training processes, which include clear instructions on how to report any suspected breach of the Code of Conduct.

Our e-learning covers several aspects, including anti-bribery and corruption, competition, conflicts of interest, and whistleblowing, and tests employees on their knowledge. The e-learning course is assigned to all new salaried employees and re-assigned every two years. This applies to all salaried employees, including senior and Executive Management. Local classroom training is conducted when online training is not practical.

In the 2023 training year, we achieved a 100% completion rate for all employees who were assigned the e-learning module. Over 23,000 employees completed the Code of Conduct e-learning and spent an average of two hours on Code of Conduct training.



**58** internal on-site audits conducted comprising 65% of total revenue

ISO 9001, Quality implemented in **47%** of our locations

**755** supplier audits performed

**Increasing awareness of our Integrity Line**

In 2023, we launched a global awareness campaign under the heading “Our Integrity”. The aim was to bring further awareness to what integrity means in DSV and support the anchoring principles of our Code of Conduct across our organisation.

One of the central elements of the campaign was to support the launch of the upgraded whistleblower system under a new name: Integrity Line. The campaign was targeted at all employees and was designed to increase awareness of the Integrity Line and build trust in the system. We measured this as part of our People Survey, by asking our employees about their knowledge of our whistleblower system. Compared to last year’s results, the level of awareness increased by 14 percentage points.

Following the launch of the awareness campaign, we will continue to monitor internal indicators to measure the campaign’s effects. The campaign stretches into 2024, with several supporting actions to raise awareness of specific topics within the Code of Conduct.

*Ensuring compliance throughout our business*

As part of the business ethics framework, we have processes in place to ensure that the standards we set within our operations and supply chain are upheld. These processes enable us to actively identify, prevent and mitigate any such risks before breaches occur.

We are conducting internal on-site audits covering several processes. The process is carried out in all DSV countries in a four-year cycle. During these audits, we ensure that the key controls for our business ethics framework, including anti-bribery and corruption measures, are sufficiently implemented and followed.

In 2023, we performed 58 internal on-site audit visits to entities comprising 65% of total revenue. Any non-conformities were assessed based on their risk, and a plan for corrective actions was put in place. The conclusions of the internal audits are reported to the Executive Management.

Further, we maintain our ISO 9001 multisite certification that ensures consistency and control of local processes. In 2023, 350 internal quality audits were completed, and the results are being used to further enhance our quality setup. 47% of our locations were certified in accordance with the ISO 9001 standard in 2023, to 45% in 2022. We expect to see a steady increase to 51% in 2024. Bureau Veritas Certification performed 107 audits in 52 countries, encompassing 106 locations.

**Running a responsible supply chain**

Due to the nature of our business, we rely heavily on third-party suppliers to deliver our services and solutions. We build strong relations with our partners through direct and open communication.

We expect our partners to live up to the same ethical standards that we have set for ourselves and have various processes in place to assess and manage our third-party risks. To ensure that our suppliers are aware of the standards expected of them, we require the Supplier Code of Conduct to be distributed to all suppliers representing an annual spend of over €100,000.

We are currently focusing our efforts on improving our approach to human rights and environmental due diligence processes, among other areas. We will continue to implement the updated approach to the Third Party Risk Management process in 2024.

*Ensuring compliance throughout our supply chain*

In addition to distributing the Supplier Code of Conduct to suppliers, we have various other processes in place to assess our third parties depending on the agreement or third party in question.

Our trade compliance framework includes controls, guidance and documentation ensuring compliance with export controls and sanctions to prevent regulatory breaches.

All global agreements above a certain threshold are also subject to various assessments conducted within our centralised procurement team. While these depend on the agreement and supplier in question, the processes are centred on ensuring that our Supplier Code of Conduct is adhered to.

Aside from these centrally managed processes, various local due diligence plans are in place to further safeguard our standards across the supply chain.

In countries where we do not have our own offices, we use agents, which are also required to undergo a due diligence process and continuous monitoring.

We perform supplier audits to ensure that our standards and procedures are upheld across our supply chain. In 2023, we performed 755 supplier audits and thereby fulfilled our target of 750 audits. The audit covers a variety of controls depending on the supplier and the scope of services delivered to DSV. We are also developing a standardised and centralised framework for supplier audits to further enhance our efforts in this area and improve audit efficiency. We aim to conduct at least 1,000 supplier audits in 2024.

# Whistleblower setup

The Whistleblower Policy supports our ability to enforce and maintain the standards of conduct set out in our Code of Conduct. The policy prohibits any form of retaliation against anyone who has raised a concern in good faith or has supported an investigation. The policy describes the types of misconduct that can be reported. These include breaches of the Code of Conduct, Supplier Code of Conduct, illegal behaviour or human rights. The policy applies regardless of which channel a whistleblower chooses to use, for example, direct manager, HR, local management or, for third parties, their DSV contact person or the global DSV whistleblower system Integrity Line.

The Integrity Line is hosted by an external provider, ensuring that internal employees and third parties can securely report concerns or knowledge of misconduct. The system is available in 42 languages. Through the system, our Investigations Team can communicate securely and anonymously with whistleblowers.

In 2023, we reviewed and updated both the Whistleblower Policy and the Integrity Line setup against transpositions into national legislation of the EU Whistleblower Directive. Our first update was conducted in 2021 in line with Denmark's transposition of the law, and a second update was completed in 2023 to align with other EU countries' transpositions.

### Investigation and reporting on incidents

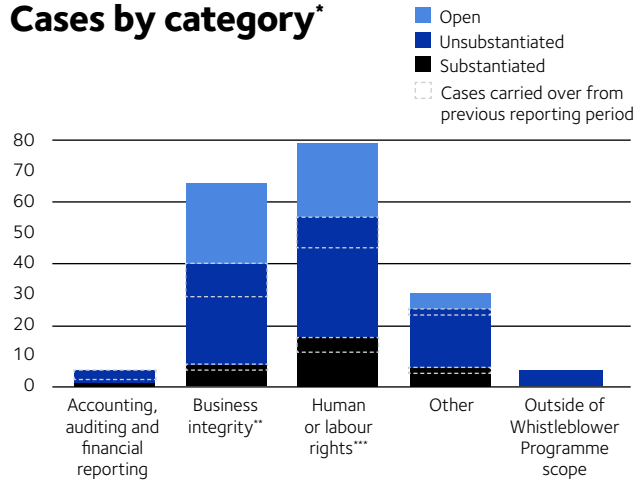
We are committed to promptly addressing any reported incidents which are within the scope of the Whistleblower Policy and to conducting

an objective investigation, carrying out proportionate and appropriate disciplinary and corrective measures. Our Investigations Team assesses incoming reports and conducts an objective investigation proportionate to the allegation and reports their findings to the Executive Management and to the Audit Committee.

In 2023, 136 reports were made through the whistleblower system.

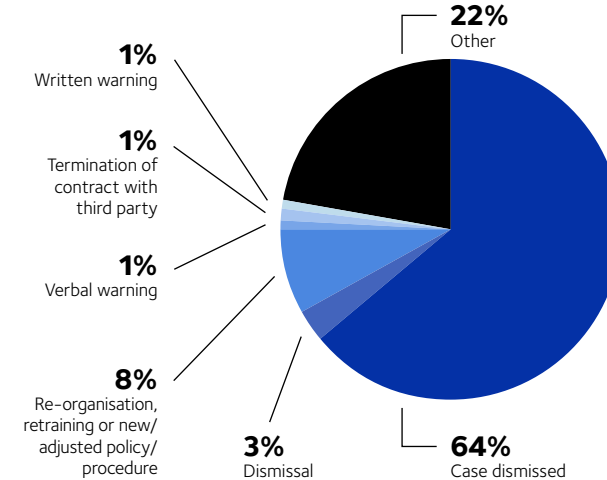
We identified two confirmed cases of bribery and corruption, which resulted in the dismissal of a DSV employee and termination of contracts with third parties.

## Cases by category\*

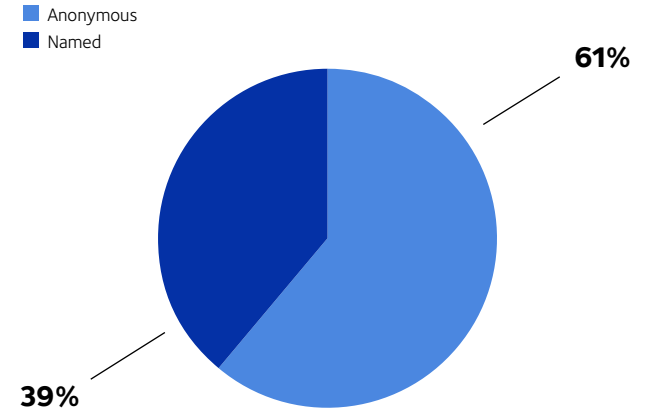


\* Some cases can span multiple categories (e.g. if a reporter raises concerns about instances of bribery & corruption and discrimination within the same case)  
 \*\* Including conflict of interest and anti-bribery & corruption  
 \*\*\* Including health & safety and discrimination & harassment

## Outcome of investigations carried out in 2023



## Rate of anonymous reports





# Sustainability statements and data

Management statement .....	40
Independent limited assurance report .....	41
Our reporting approach .....	43
Sustainability data summary .....	45

# Management statement regarding the Sustainability Report

The Board of Directors and the Executive Board have today discussed and approved the Sustainability Report of DSV A/S for the period 1 January – 31 December 2023.

The sustainability statements and data in the Sustainability Report for 2023 have been prepared in accordance with DSV's sustainability accounting policies (Accounting Policies) as stated on [pages 43 - 49](#).

In our opinion, the Sustainability Report 2023 gives a fair presentation of the Group's sustainability activities and results of our sustainability efforts in the period as well as a balanced presentation of our environmental, social and governance performance in accordance with the Accounting Policies.

Hedehusene, 1 February 2024

## 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

**Niels Smedegaard**

**Tarek Sultan Al-Essa**

**Marie-Louise Aamund**

**Benedikte Leroy**

**Beat Walti**

**Helle Østergaard Kristiansen**



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

*To the Stakeholders of DSV A/S*

DSV A/S engaged us to provide limited assurance on the Environmental data on [pages 45-46](#), Social data on [pages 47-48](#) and Governance and other data on [page 49](#) for the period 1 January - 31 December 2023 (the "sustainability 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 sustainability data for the period 1 January - 31 December 2023 for DSV A/S are prepared, in all material respects, in accordance with the accounting policies developed by DSV A/S as stated on [pages 43-49](#) (the "accounting policies").

The comparative information for 2019 - 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 sustainability data stated on [pages 45-49](#).

## **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, pro-

fessional competence and due care, confidentiality and professional behaviour, 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 sustainability data needs to be read and understood together with the accounting policies. The accounting policies used for the preparation of the sustainability 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 Sustainability Information allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.



**Work performed**

We are required to plan and perform our work in order to consider the risk of material misstatement of the sustainability 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;
- Made inquiries and conducted interviews with Management responsible for management and reporting of the sustainability data to assess 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 sustainability data at corporate head office and in relation to selected DSV A/S' reporting sites;
- Performed analytical review and trend explanation of the sustainability data; and
- Evaluated the evidence obtained.

**Management's responsibilities**

Management is responsible for:

- Designing, implementing and maintaining internal control over information relevant to the preparation of the sustainability data that are free from material misstatement, whether due to fraud or error;
- Establishing objective accounting policies for preparing the sustainability data;
- Measuring and reporting the information in the sustainability 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 sustainability data for the period 1 January – 31 December 2023 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, 1 February 2024

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab  
CVR no. 3377 1231

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 2023 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 2023 are unchanged from last year. Waste landfilled and recycled has been renamed to *Waste generated by own operations* without changing the policies applied.

In 2023, we have extended our sustainability performance data with the below disclosures. The policies applied are described in connection with the new data presented:

- Emissions outside of scopes (biogenic emissions)
- Other categories (scope 3)
- Total scope 3 (SBTi target boundary)
- Total waste generated – own operations
- Percentage of recycled/non-recycled waste
- Total amount of non-recycled waste

In 2023, we did not change our activities or our carbon accounting policies to an extent that required a re-calculation of the baseline. We monitor the changes in the carbon accounting methodology within transport and logistics. This methodology is continuously developing and impacted by the latest science, new regulations and standards, and continuous improvements in carbon calculation tools.

In 2023, we began implementation of our carbon accounting methodology towards the new ISO 14083:2023, impacting our Category 4 emissions. The update establishes a common methodology for the quantification and reporting of greenhouse gas (GHG) emissions from transport including the most recent emission factors for transportation fuels based on life cycle assessments (LCAs).

ISO 14083:2023 is a new standard that continues to evolve. This means that we foresee further development in the coming years, and we will continue to monitor whether there is a significant impact on our baseline emissions where it will need to be re-calculated should the 5% materiality threshold be triggered.

Other Categories (scope 3) has been added to our disclosures to fully align with GHG Protocol and increase transparency on our full GHG emission inventory, DSV decided to begin the disclosure for these categories. Previously, these categories, standalone and combined, have been immaterial compared to our total scope 3 emissions.

## Sustainability data selection

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

## Approach to using sustainability frameworks

DSV uses several international sustainability frameworks and reporting standards as guidance in processing data for selection.

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

Our climate-related financial disclosures are guided by the recommendations set forth by the TCFD. Climate risk and opportunity identification and assessments are integrated into our governance, strategy and risk management structure. DSV classifies identified risks and opportunities in line with the recommendations, thereby enabling the selection of appropriate metrics and targets. We have included a one-page overview with references to our TCFD alignment (see our Content Index Report 2023 at <https://www.dsv.com/en/our-reporting>).

## Global Reporting Initiative (GRI)

We are guided by the GRI Standards for some of our sustainability performance data. We do not aim for full GRI-based disclosure (see our Content Index Report 2023 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 2023 at <https://www.dsv.com/en/our-reporting>).

## EU Taxonomy

### *Eligibility of Revenue and OpEx*

As a listed Danish company, we assess and report on our economic activities in accordance with the EU Taxonomy. The core economic activity of the DSV Group (mainly NACE code H52 – Warehousing and support activities for transportation) is not encompassed by the Climate- and Environmental Delegated Acts of the EU Taxonomy. Our main business activities and derived revenue are therefore not considered Taxonomy-eligible.

Our asset-light freight forwarding business model implies very limited expenditures in taxonomy-eligible costs and investments for own transportation equipment and infrastructure. As such, the physical freight transports and transport equipment are owned and directly operated by separate, subcontracted freight carriers. For additional description of our business model and company activities, please refer to the General section on pages 4-15 of this Report.

Of total OpEx of DKK 2,153 million as defined by 1.1.3.1 of (EU) 2021/2178, purchased output from taxonomy-aligned economic activities are currently not material (equal to zero) – neither when considering the monetary value of expenditures realised, nor when considering these in light of our business model.

Following the adoption of Commission Notice 2023/305, which includes interpretation guidance on reporting on subcontracted activities, our assessment of the extent to which freight forwarding activities are encompassed as eligible activities remains unchanged from last year.

### *Eligibility and alignment of CapEx investments*

Following an assessment of capitalised right-of-use assets and property, plant and equipment, taxonomy-eligible expenditures were identified mainly relating to 7.1 Construction of new buildings and 7.7 Acquisition and ownership of buildings. The bulk of these activities contribute to climate change mitigation.

Due to challenges in capturing and consolidating data especially for the Do No Significant Harm criteria such as ensuring adequate documentation for

the percentage of construction waste on purchased or leased buildings, DSV does currently not have sufficient information to assess all alignment criteria as defined by the EU Taxonomy.

This implies that in 2023, CapEx investments made in new buildings systematically have been classified as eligible investments, although a number of these fulfil the “10% below nearly zero-energy building (NZEB)” criterion. DSV has initiated processes to improve data collection on building investments, which may ensure a greater share of Taxonomy alignment will be achieved on these in the coming years.

### *EU Taxonomy accounting policies*

Taxonomy-related disclosures have been assessed and prepared in accordance with Regulation (EU) 2020/852. Taxonomy templates in accordance with Annex II or (EU) 2020/852 are available in our Content Index Report at <https://www.dsv.com/en/our-reporting>.

Revenue, OpEx and CapEx applied in assessing and reporting on eligibility and alignment in accordance with the Taxonomy have been based on the definitions of article 1.1.1 (Revenue), 1.1.2 (CapEx) and 1.1.3 (OpEx) of (EU) 2020/852.

For reference to the consolidated financial statements, revenue links to note 2.2 Revenue, CapEx to note 3.2 Intangible assets, 3.3 Property, plant and equipment and 3.6 Leases, and OpEx to note 3.6 Leases and additional maintenance, repair and service costs included as part of note 2.3 Direct cost and 2.4 Other external expenses.

The Group’s financial IFRS reporting systems, providing detailed segregated data on divisional, business unit and account level activities, have formed the 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 KPIs and to avoid any double accounting on numerator input.



# Environmental

## 1.1 Emissions

**CO<sub>2</sub>e scope 1:** The reporting of direct scope 1 CO<sub>2</sub>e 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 51% 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 FTEs out of the FTEs in countries covered by our car fleet management system. Road emissions from our own fleet are based on reported fuel consumptions from 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.

**CO<sub>2</sub>e scope 2:** The reporting of scope 2 CO<sub>2</sub>e emissions is based on the Greenhouse Gas Protocol and includes the indirect GHG emissions generated from purchased or acquired electricity, heating and cooling consumed in buildings owned, leased or rented by DSV and related operations. Data on scope 2 CO<sub>2</sub>e emissions is calculated and disclosed according to the market-based approach following the Science Based Targets principles.

**CO<sub>2</sub>e scope 3:** The reporting of indirect scope 3 emissions is based on the Greenhouse Gas Protocol, which divides the scope 3 inventory into 15 categories (C1-C15). Calculations of emissions from freight forwarding services (transportation by air, sea, road and rail) in our value chain (Category 4) are performed by splitting routes into relevant legs and applying granular parameters on the shipment level. Indirect emissions resulting from our subcontracted transport (air, sea and rail carriers and road hauliers) are included, 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, ISO 14083, and disclosed following the "well-to-wheel" (WTW) approach for our subcontracted transport.

CO<sub>2</sub>e emissions from air, sea, rail carriers and road hauliers 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 CO<sub>2</sub>e emissions are estimated based on extrapolation from average emission factors and volume reporting.

Emissions from business travels (category 6) are based on collected data from travel agencies, covering countries with 83% of all salaried employees. For countries not using travel agencies, the emissions are extrapolated based on the proportion of FTEs out of the total number of FTEs in countries using travel agencies.

'Other categories' emissions are composed of applicable categories: 1 (purchased goods and services), 2 (capital goods), 3 (fuels and energy-related activities), 5 (waste generated in operations), 7 (employee commuting), and 12 (End-of-life treatment of sold products). Calculations were performed using GHG

Protocol-endorsed methods: spend-based for categories 1 and 2, average-method for categories 3, 5, and 7, and waste-type-specific for Category 12.

**Biogenic emissions:** The reporting of outside of scopes biogenic emissions is based on the Greenhouse Gas

Protocol and covers scope 1 emissions originating from biofuels (HVO and biodiesel) and environmental attributes obtained through the book-and-claim approach for maritime biofuels, sustainable aviation fuel and HVO under scope 3.

Environmental data <sup>3</sup>	2023	2022	2021	2020	2019
<b>CO<sub>2</sub>e scope 1 ('000 tonnes)</b>					
Company cars	14	16	10	13	14
Road emissions (own fleet)	178	173	101	43	37
Building emissions	28	26	24	24	23
<b>Total CO<sub>2</sub>e scope 1</b>	<b>220</b>	<b>215</b>	<b>135</b>	<b>80</b>	<b>74</b>
<b>CO<sub>2</sub>e scope 2 ('000 tonnes)</b>					
Building emissions (market based)	193	226	119	98	85
<b>Total CO<sub>2</sub>e scope 2</b>	<b>193</b>	<b>226</b>	<b>119</b>	<b>98</b>	<b>85</b>
<b>CO<sub>2</sub>e scope 3 ('000 tonnes)</b>					
Business travel	0	5	1	1	8
Air transport	5,885	8,911	8,270	6,825	4,631
Sea transport	1,495	1,786	1,802	1,047	1,242
Land transport	4,354	4,787	5,046	3,414	2,847
<b>Total scope 3 (SBTi target boundary)</b>	<b>11,734</b>	<b>15,489</b>	<b>15,119</b>	<b>11,287</b>	<b>8,728</b>
Other categories <sup>2,4</sup>	505	–	–	–	–
<b>Total CO<sub>2</sub>e scope 3</b>	<b>12,239</b>	<b>15,489</b>	<b>15,119</b>	<b>11,287</b>	<b>8,728</b>
<b>Total CO<sub>2</sub>e scope 1, 2 and 3</b>	<b>12,652</b>	<b>15,930</b>	<b>15,373</b>	<b>11,465</b>	<b>8,887</b>
<b>Emissions outside of scopes ('000 tonnes)</b>					
Biogenic emissions <sup>2</sup>	20	–	–	–	–

<sup>2</sup> Full five-year historical data not available.

<sup>3</sup> The comparative information for 2019-2020 is not covered by PwC's limited assurance conclusion on pages 41-42.

<sup>4</sup> The breakdown and further details of 'other categories' are included in our Extended sustainability factbook at <https://www.dsv.com/en/sustainability-factbook>

## 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 CO<sub>2</sub>e per one tonne of freight moved one km.

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

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

Environmental data <sup>3</sup>	2023	2022	2021	2020	2019
<b>Carbon intensity (gram CO<sub>2</sub>e per tonne transported one km)</b>					
CO <sub>2</sub> e (g/tonne-km) – Air transport	627.6	694.4	707.4	704.0	718.2
CO <sub>2</sub> e (g/tonne-km) – Sea transport	7.0	6.6	6.5	6.2	6.4
CO <sub>2</sub> e (g/tonne-km) – Land transport	94.3	89.4	89.8	86.3	93.2
<b>Fuel consumption, own fleet</b>					
Total consumption of fuel <sup>2</sup> ('000 gigajoule)	2,761	2,675	1,488	–	–
Proportion of HVO fuel consumed <sup>2</sup> (%)	2	3	4	–	–
<b>Energy consumption scopes 1 &amp; 2 ('000 gigajoule)</b>					
Total energy consumption <sup>2</sup>	5,343	5,091	3,224	2,086	–
<b>Water ('000 m<sup>3</sup>)</b>					
Total water consumption – buildings	1,662	1,274	1,188	1,152	1,596

**Waste generated by own operations:** Total weight of hazardous and non-hazardous waste generated by DSV operations directed to disposal or diverted from disposal during the reporting period. Waste diverted from disposal is defined as waste that is recycled. Waste is considered to be hazardous if it is categorised as such by local national legislation.

**Percentage of recycled/non-recycled waste:** Amount of recycled and non-recycled waste relative to the total amount of waste generated by DSV operations during the reporting period.

Environmental data <sup>3</sup>	2023	2022	2021	2020	2019
<b>Renewable energy share (%)</b>					
Renewable <sup>2</sup>	11	9	10	18	–
Non-renewable <sup>2</sup>	89	91	90	82	–
<b>Euro engine standards (%)</b>					
Proportion of trucks of DSV Road registered Euro 2 standard or older (own and suppliers' trucks)	0.1	0.2	0.2	0.2	0.2
Proportion of trucks of DSV Road registered Euro 3 or 4 standards (own and suppliers' trucks)	3.9	9.0	9.6	10.4	16.5
Proportion of trucks of DSV Road registered Euro 5 or 6 standards (own and suppliers' trucks)	96.0	90.8	90.2	89.4	83.3
<b>Waste generated by own operations (tonnes)</b>					
Hazardous – directed to disposal <sup>2</sup>	4,401	958 <sup>1</sup>	–	–	–
Hazardous – diverted from disposal <sup>2</sup>	317	693 <sup>1</sup>	–	–	–
Non-hazardous – directed to disposal <sup>2</sup>	30,841	27,873 <sup>1</sup>	–	–	–
Non-hazardous – diverted from disposal <sup>2</sup>	34,790	27,815 <sup>1</sup>	–	–	–
<b>Total waste generated – own operations<sup>2</sup></b>	<b>70,349</b>	<b>57,339</b>	<b>–</b>	<b>–</b>	<b>–</b>
Total amount of non-recycled waste <sup>2</sup> (tonnes)	35,242	28,831	–	–	–
Percentage of recycled/non-recycled waste <sup>2</sup> (%)	49.9/50.1	49.7/50.3	–	–	–

<sup>1</sup> Comparative figures have been restated, as material adjustments to the categorisation of waste were made, and our approach to data completeness has improved.

<sup>2</sup> Full five-year historical data not available.

<sup>3</sup> The comparative information for 2019–2020 is not covered by PwC's limited assurance conclusion on [pages 41–42](#).

# Social

## 2.1 Employees

*Employees (full-time workforce):* Number of full-time employees at year end.

*Salaried employees:* Employees working primarily in an office with freight forwarding, sales, business development or in general administration.

*Hourly workers:* Employees working primarily at a warehouse, terminal, logistics centre or as drivers.

*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 <sup>3</sup>	2023	2022	2021	2020	2019
<b>Employees (full-time workforce)</b>					
Total	73,577	76,283	77,958	56,621	61,216
Salaried employees	37,090	38,397	40,605	29,544	32,820
Hourly workers	36,487	37,886	37,353	27,077	28,396
<b>Gender diversity (%) (female/male)</b>					
Gender diversity total	38/62	39/61	38/62	38/62	39/61
Gender diversity salaried employees	49/51	49/51	49/51	51/49	51/49
Gender diversity hourly workers	25/75	24/76	22/78	23/77	25/75
<b>Gender diversity, management (%) (female/male)</b>					
Gender diversity management	34/66	32/68	34/66	34/66	33/67

<sup>2</sup> Full five-year historical data not available.

<sup>3</sup> The comparative information for 2019-2020 is not covered by PwC's limited assurance conclusion on [pages 41-42](#).

Social data <sup>3</sup>	2023	2022	2021	2020	2019
<b>Age distribution of employees (%)</b>					
Employees <25	8.6	10.5	9.8	8.4	9.5
Employees 25-34	30.7	29.8	29.4	29.1	29.3
Employees 35-44	29.8	29.4	30.2	30.7	30.6
Employees 45-54	19.9	19.5	20.0	20.4	19.5
Employees >54	11.0	10.8	10.6	11.4	11.1
<b>Employee seniority (%)</b>					
Seniority <1 year	19.3	22.0	24.0	17.0	17.7
Seniority 1-2 years	26.6	21.7	17.9	22.8	22.7
Seniority 3-5 years	17.3	19.2	20.2	19.9	19.8
Seniority 6-10 years	15.7	15.3	15.7	15.3	15.5
Seniority 11-25 years	17.2	17.6	18.3	20.3	20.0
Seniority >25 years	3.9	4.2	3.9	4.7	4.3
<b>Collective bargaining agreements (%)</b>					
Total <sup>2</sup>	32	32	28	-	-
Salaried employees <sup>2</sup>	24	23	17	-	-
Hourly workers <sup>2</sup>	40	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 <sup>3</sup>	2023	2022	2021	2020	2019
<b>Employee turnover ratio (%)</b>					
Total	20.7	26.0	24.4	32.5	23.6
Salaried employees	17.4	24.7	24.2	31.5	21.9
Hourly workers	24.0	27.5	24.6	33.6	25.3
<b>Employee turnover ratio (%) (adjusted for synergies)<sup>5</sup></b>					
Total	20.7	22.1	21.9	20.5	21.1
Salaried employees	17.4	18.1	19.7	11.7	17.5
Hourly workers	24.0	26.2	24.2	31.0	24.8

<sup>3</sup> The comparative information for 2019–2020 is not covered by PwC's limited assurance conclusion on [pages 41–42](#).

<sup>5</sup> The synergy business cases for GIL acquisition were closed in September 2022

## 2.3 Health and safety

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

*Lost Time Injury Frequency Rate (LTIFR):* Number of re-recorded lost time injuries resulting in more than one day of absence per million actual working hours for the year.

*Lost workdays due to lost time injury:* Number of reported days of absence from lost time injuries per million actual working hours for the year.

*Fatalities:* Number of fatalities of DSV employees.

Social data <sup>3</sup>	2023	2022	2021	2020	2019
<b>Sickness absence (days per FTE)</b>					
Total	6.1	6.5	5.7	6.4	6.0
Salaried employees	5.9	6.4	5.4	5.8	6.0
Hourly workers	6.4	6.6	6.0	7.1	5.9
<b>Lost Time Injury Frequency Rate (LTIFR) (per million working hours)</b>					
Total	3.3	2.8	4.5	6.7	5.0
Salaried employees	0.4	0.5	1.0	0.8	0.9
Hourly workers	6.0	5.2	7.9	13.3	9.1
<b>Lost workdays due to lost time injury (per million working hours)</b>					
Total	50.7	52.0	61.0	78.8	97.5
Salaried employees	5.1	6.1	15.3	16.0	22.0
Hourly workers	94.3	98.4	105.4	148.6	173.8
<b>Fatalities</b>					
Fatalities in absolute numbers	1	3	1	0	1



# 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 ISO 9001, 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<sup>6</sup> having completed the Code of Conduct course by year end, relative to the total number of assigned employees<sup>6</sup>.

*Average training hours spent on CoC:* Average time spent on the Code of Conduct e-learning per assigned employee<sup>6</sup>.

## 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.

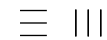
Governance and other data <sup>3</sup>	2023	2022	2021	2020	2019
<b>Internal on-site audits (%)</b>					
Companies audited	65	61	25	25	56
<b>Management System Certifications (%)</b>					
ISO 9001 (Quality)	47	45	32	38	61
ISO 45001 (Health & Safety)	33	31	18	22	40
ISO 14001 (Environment)	38	36	24	30	52
<b>Supplier audits</b>					
Total <sup>2</sup>	755	600	–	–	–

<sup>2</sup> Full five-year historical data not available.

<sup>3</sup> The comparative information for 2019–2020 is not covered by PwC's limited assurance conclusion on [pages 41–42](#).

Governance and other data <sup>3</sup>	2023	2022	2021	2020	2019
<b>Employee training on Code of Conduct, including human rights and anti-corruption policies and procedures</b>					
Code of Conduct online training completion rate (%) <sup>6</sup>	100	100	100	100	100
Average training hours spent on Code of Conduct	2	2	2	2	2
<b>Whistleblower reports</b>					
Total	136	84	47	41	60

<sup>6</sup> Assigned employees refers to salaried employees who have been assigned the Code of Conduct course between 01-09-2022 and 31-08-2023.



**DSV A/S**

Hovedgaden 630  
2640 Hedehusene  
Denmark

Tel. +45 43 20 30 40  
[www.dsv.com](http://www.dsv.com)  
CVR no. 58 23 35 28

Sustainability Report for the year ending  
31 December 2023 (47th financial year).  
Published 1 February 2024.

